The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XLIII Fifteen Cents an Issue, Five Dollars a Year Publication Office: Toronto, July 16, 1949 Member of Audit Bureau of Circulations. No. 29

Top Farming Expert

Dr. Frank J. Greaney, new president of the 2,600-member Agricultural Institute of Canada, is typical of the steadily growing force of "agrologists" — agricultural scientists constantly working for the advancement of agriculture in Canada. Head of Line Elevators Farm Service, Winnipeg, Dr. Greaney is a graduate of Ontario's Agricultural College, holds a Master of Science Degree and is a doctor of philosophy. His special field has been plant pathology and genetics having made an outstanding contribution to the development of rust resistant wheat.

THE NATION'S BUSINESS

Can't Repeal Laws Of Human Nature

Britain's present grave economic emergency is providing a brilliantly clear X-ray picture of what's wrong, not only with Socialism, but what's wrong with so much of today's thinking about the how of curing the world's ills.

This is not to imply that Britain's malignancy would have been avoided or cured overnight had something other than a Socialist government been in power. What we are now seeing in Britain are the fruits of a half-century of missionizing for a flabby utopianism and a political pandering for votes for which all parties must share some responsibility.

As an illustration, Canadians need remember no further back than our own elections of last month. In that election, Liberals promised the adoption or extension of many policies which were fathered and mothered by Socialist gospels and practice, and the Conservatives promised chiefly to give us more of these measures than the Liberals.

Britain's fundamental difficulty today is, in its simplest starkest form, the unwillingness of her people to work hard enough. The Socialists find they have been unable to repeal the laws of human nature. As Whaley-Eaton of Washington says: "It is . . . Socialism that has broken down, with Britain as the prime example, and only American money until now has prevented recognition of the fact."

Facing Another Dunkirk

This week the world sees Britain in economic peril as great as the physical peril of Dunkirk. But those most important men in her national existence, the dockers, go on strike. The most earnest, impassioned pleas of British leaders have had singularly little success in convincing most other labor leaders of the truth of that simplest of economic facts that now is not the time, in their own interest, to fight for more pay and fewer hours.

Under towering taxes, mountains of red tape and the constant threat of expropriation, the British businessman generally has a miniscule incentive to invest new money in modernization or expansion, to deliver the energy, imagination and sweat to give his business the overhaul it needs to compete today.

The achievement of more than half a century of British Socialist teaching and the gradual application of those teachings by those who call themselves Socialists and those who don't is:

—a state that can't pay its way in the modern postwar world. It would have been completely broke long ago without the help of the North American capitalist countries.

—a state in which soak-the-rich policies have had to give way (because the soaking of the rich doesn't take long) to destruction of the middle class and its immolation on the altar of that great deity of the Socialist theorists, the National Minimum. The share-the-wealth slogan has proven to mean only, "Share the misery."

So British dog race tracks are full. The football pool business is fabulously rich. The pubs are swarmed. Britishers are getting "free" spectacles and appendectomies, most of the pensions and insurances the mind of man has contrived; higher wages for doing less work—and the delightful promise from government that it will prevent unemployment and unpleasantness.

The state needs more, better and faster production, but human nature being what it is, the fact is that cradle-to-the-grave security, high taxation and all the rest of it does, as the British example proves, encourage the citizen to loaf.

The state needs to lower its expenditures, but there are manifold incentives for the citizen to milk the various state schemes for as much as he can get.

Must Revive Will to Work

So what we are now seeing in Britain is not only an economic collapse, but a national dilemma: how to force into the consciousness of the British people the truth that their private interest can only run in the direction of the general interest; how to revive, invigorate and release the individual's willingness to work.

What can be done to revive Britain; to start to cure the habit of mind, now endemic in Britain and in many parts of Canada, which says, "Let the state do it while I take mine ease?"

The Economist of London has a blunt, wise formula for the immediate problem of cutting costs. The Government, it says,

> "Would aim at creating the greatest possible measure of competitive conditions in every sort of industry and market. It would initiate a great loosening-up in every department of the national life. It would show the way itself by cutting the biggest item in national costs, the burden of taxation, since it is absurd to hold that a Budget of £3,300 millions cannot be slashed if there is a will to do it. Wherever it possibly could — outside a narrow range of strict necessaries — it would remove controls and allocation quotas and allow prices to be determined competitively. (Even higher prices may be a means to cut costs if they enable the efficient to get ahead.) In every possible way, it would make businessmen once again work for their livings. It would abandon the cheap money fetish and let interest rates also find their level. It would bring in legislation against all forms of restrictive practice. It would insist on payment by results in every industry where a scheme could possibly be introduced. And if there were no other way of persuading the unions and their members to give value for money, it would welcome the therapeutic effect of a moderate degree of unemployment . . .
>
> "To such a program of invoking the aid of competition to restore economic efficiency there is really no alternative."

For everybody, Socialists and those of other Canadian parties which have been nibbling at Socialist theory and practice, the British crisis can be most instructive.

Unions Passing Up Wage Hike Demands

More Sections of Labor Give Indication They See Need For Wage Stability—AFL Abandons "Formulas" in New U. S. Policy

By RONALD WILLIAMS

As Canada entered the second half of the year and what could well be a critical postwar period, there were definite signs that labor was finally recognizing some economic facts. Despite the pace-setting 10c. raise pattern set in the steel industry, more and more unions were passing up demands for wage increases.

The latest was the big CIO Textile Workers: Local 779 at Cornwall, Ont., signed with Courtaulds (Canada) for minor adjustments but without a blanket raise. It seemed to be recognition by the union that softening conditions in the textile industry made a raise uneconomic from its own and management's viewpoint.

What's more, it was not an isolated sign. The Textile union's approach stems directly from top leadership in the United States. There, Emil Rieve, union president, advised his locals not to ask for raises in woolen or Northern cotton mills because of sliding business conditions.

Earlier, the CIO Amalgamated Clothing Workers passed up wage demands; so did CIO Woodworkers in the Pacific Northwest; also Canadian coal miners, pulp and paper workers and B. C. gold miners. And just last week, Musician's Union Czar Petrillo came out flatly for lower wages to help put vaudeville back on its feet.

Courtaulds' Statement

In a joint company-union statement, Courtaulds' President S. G. Dixon laid the facts on the line: "The economic realities of the present suggest that the interests of industry, employees and the public generally, can best be served by consolidating our high living and working standards, rather than following a course which would result in higher costs.

"The textile industry," he went on, "is conscious of the fact that the consumer today is more concerned with cost and quality than at any time in the last decade. Competition is keener. Future security and progress of our industrial world can best be achieved by unflagging effort of management and employees to give customers the goods they want at prices they will pay . . .'

Similar sentiments were being voiced by both management and labor in Canada and the United States. In the U. S., the AFL had come out boldly with a new policy calling on its affiliates to abandon wage formulas and rounds, and return to the old

(Continued on page 2, col. 3)

Earnings of Refineries Hit By Lag in Product Demand

By LARRY DACK

Earnings of chief Canadian oil refining companies are running considerably behind last year, The Financial Post understands, and this despite a boost in gasoline sales of over 14%. Behind the situation lies one of the toughest refining problems to face the industry since the period of peak wartime demands.

While demand for gasoline continues to soar, demand for other chief refinery products such as light and heavy fuel oils, kerosene, lubricating oils, etc., lags far behind. Refinery shipments of light fuel oil, for instance, in the three months ended April 1, 1949, was off 34% from same period last year. Shipments of lubricating oils dropped 20% in the same period.

With limited exceptions, a refiner can't make more gasoline without at the same time turning out more of the slower moving products. (In 1948 Imperial Oil's average yield from a barrel of crude oil ran 40.3% gasolines, 23.9% distillate fuels, 20.5% heavy fuel oils, the remainder being divided among asphalts, cokes, lubricating oils, waxes, greases and fuel for its own operations.)

Petroleum refiners operate their businesses pretty much like the corner butcher shop. Just as the price of a steak is not tied by any fixed ratio to the price of a steer so gasoline is not necessarily in a fixed ratio to price of crude oil.

Both steaks and gasolines are examples of pricing where a number of products can be taken from the same basic raw material. Only link between cost of raw material and prices of finished product is that the sum total of finished products must cover all the costs and provide a profit. When demand for the cheaper products—briskets or fuel oils—falls off to the point where they must be sold below average cost in order to move them, then the refiner must get a higher price for his gasoline, the butcher a higher price for his steaks. In other words, both steaks and gasoline must bear a greater proportion of the over-all cost load.

This is one of the big factors behind last week's gasoline price increase in Ontario and Quebec. (The situation came to a head even earlier in the U. S.) Last winter's abnormally mild weather threw the monkey-wrench into the delicately balanced cost machinery. Practically every refining company on the North American continent came into Spring with heavier-than-usual inventories of fuel oil. When prices were cut to move it quickly into consumers' storage tanks, corresponding price adjustments did not materialize in crude oil although many oil officials believed such a move imminent at that time. Rather, crude prices have been bolstered by a 25% cut in U. S. crude oil production.

The U. S. Situation

In the meantime, earnings of U. S. oil companies are running an estimated 25% behind last year and greater confusion and ill-feeling is building up between producers and refiners than at any time in many years.

A cut in crude oil price would be to the immediate benefit of Canadian and most U. S. refiners but, of course, would cut into the profit picture of most producers. At the moment, many factors point to the possibility of a moderate price cut by Fall when seasonal decline is to be expected from current record gasoline demand.

This week, British American Oil Co. announced plans to sharply curtail operations at its Clarkson refinery in order that pro-

(Continued on page 2, col. 1)

There's Good News for Fall

10-15% Off Your Clothing Bill — If You Shop Around

By PAUL DEACON

MONTREAL (Staff) — When it comes to buying fall clothing, you should be able to shave 10% to 15% off last year's clothing bill for the family — if you shop around.

That's how it looks from here as retail buyers near the end of their annual fall buying season. And shopping around is just what those buyers have been doing for the most part, so the manufacturers are saying.

Not that they're unhappy about volume. They say it will be about the same as last year. There's no sign of slackening off in demand. Just that the retail buyers are treading cautiously, in the case of some large buyers holding off on the size of their forward purchases.

That price drop incidentally has to be qualified in respect of women's wear made up from British fabrics. Here, look for a 6%-8% increase due to reimposition of tariff, July 1.

Why are prices down? Increased competition among manufacturers of both men's and women's lines. Among the mills, too, resulting in lower material costs to the manufacturer. Mark-ups are taking a shaving all round, right through to retailer. Offsetting these influences labor costs have shown a slight increase with some shortages of skilled help evident.

Here's what a Post review of the buying season shows:

Women's wear—Bookings have been good, especially from specialty stores, although large department stores said holding back a little. Prices down. Labor still the most important item in costs; wages up slightly from last year.

Output this fall expected to equal last year's physical volume, with dollar volume down somewhat. No overproduction in Canada as in United States, nor have there been the peaks and valleys here which characterized the industry below the border.

Raw material supply has improved and quality is expected to be better as wearers are able to get a full supply of the type of yarns they want. Prices on clothes using fabrics imported from U. K. will increase 6%-8% with reimposition of tariff, July 1.

Men's wear — Competition tougher. Orders so far have been fair, but trade anticipates some reduction in both unit and dollar volume of sales. Spring sales were very good, new synthetic suitings in the tropicals have been well received.

Millinery — Bookings have been very good, with prices about same as last year. Good demand for merchandise in high, medium as well as low-price ranges, manufacturers say. Supply of raw materials good, although one maker reported trimmings were still difficult to get. Some shortage of skilled help, and 270 immigrants are being brought from Europe to help ease this situation.

Shoes — Production for first six months ahead of last year. Prices are about the same, and orders are at a good level. Leather prices have been steady. Retail inventories of shoes, built up in 1947, are said reduced from last year's levels and orders are coming in to the manufacturers again in greater volume.

PRICES

Base metals strength was the outstanding feature this week. Spurred on by the threat of shortages which are possible as a result of stockpile buying and declining production, metal users stepped up buying of copper and lead. This week witnessed the first upturn in prices since the decline commenced in March.

Copper reversed its three-month downtrend from the postwar high of 23½c lb. Two increases in the week have brought the custom smelter price up to 17⅝c from a low of 16c. The large U. S. mine producers who have been out of the market as sellers since the custom smelter price decline set in, are reported to be selling at the 17⅝c price.

Lead price was also hiked thrice, for a total rise of 2c to 14c. Unexpected strength in the automobile battery business was regarded as an important factor in the uptrend, as was government buying for stockpile. Buying was said to be continuing in excess of custom smelter intake and is absorbing the day-to-day production of the important lead mine producers.

Zinc demand has also improved, with fair tonnages being taken by galvanizers and die casters. Price is unchanged at 9c lb.

Copper scrap advanced with refinery buying prices for top grade up ¾c lb. No. 1 heavy copper wire is quoted at 14¼c, equivalent to 16¾c-17¼c on a refined copper basis. Supply of scrap material remains limited, refiners state.

Brass mill products were advanced on July 11 to conform to the 17⅝c price for copper. Demand picked up late last week following rise in copper but a large part of the business had been booked on the basis of 16c copper.

Steel scrap prices were cut $2 a gross ton by Hamilton basic steel mills. Although price control still continues, maintenance of ceilings is purely academic. The action of the consuming mills in-

(Continued on page 3, col. 5)

Iron and Steel In Spotlight Of Que. News

Bethlehem Steel Mentioned in Discussion of Steel Plant at Sorel

MONTREAL (Staff) — Iron is "busting" out all over Quebec according to reports this week.

Biggest and best is the Labrador Mining & Exploration Co. report it has 14 geological survey parties, six prospecting parties and several drilling crews in the field. Geological and prospecting work is being concentrated on the Labrador side of the company's Quebec-Labrador property. Intensive development work is in progress on the Quebec side, it is said. Negotiations for the financing of the railway are still under way.

Mining circles are abuzz over other developments as well. One is the possible location of a steel plant at Sorel, with Bethlehem Steel mentioned in this connection. Raw material would be high-grade from the electrolytic titanium refinery of Quebec Iron & Titanium Corp., it is said. Projected output from the refinery is 800 tons daily of titanium slag and 600 tons of high-grade iron.

On a smaller scale are plans reported from two iron ore mining projects. One of these is said to be for the development of magnetite deposits near Ste. Agathe, 60 miles north of Montreal. The other is in the Malbaie area on the north shore of the St. Lawrence.

Ore reserves in these two locations are not known. It is understood that Labrador mining interest had investigated the Ste. Agathe deposits in the past but had found them unsuitable for commercial development. The Malbaie ore is reported to be low-grade type requiring special processing.

Wheat Board Will Soon Set Oats, Barley Support Price

Special Correspondence

WINNIPEG—Consultations between members of the Canadian Wheat Board and the Government in Ottawa this week are expected to be followed by definite announcement as to the handling of oats and barley by the Wheat Board, commencing Aug. 1, including the basis of initial prices to be paid.

Prices are expected to be on the basis of presently guaranteed support prices, 90 cents on barley and 61½ cents on oats for the standard feed grades basis in store Lakehead terminals. Those of course are well below current market levels, which have been stimulated by poor crop prospects in Western Canada as well as by the drouth in the United States.

Currently Canadian levels are above those prevailing in the United States, and large feed grain prospects in the West would presumably have brought Canadian prices down to the American basis.

Action at Ottawa will presumably be followed by proclamation of the acts complementary to Dominion legislation passed by provincial legislation. There is perhaps some room for doubt as to Alberta action, for livestock men in that province have been urging the provincial government to take steps to see that no oats and barley from the new crop are shipped out of the province, to make sure that Alberta needs for feed grain are taken care of.

While the Canadian Wheat Board will presumably have a monopoly of oats and barley marketed on and after Aug. 1, it is not expected that there will be any take-over of commercial stocks as at that date. Presumably, grain companies will complete the marketing of such grain on their own account. The futures market is expected to dry up after the marketing of old crop grain is completed, but trading in the October and December futures will probably continue until those contracts have been liquidated. The Wheat Board is expected to set its selling prices at first with some relation to the Winnipeg October future, and later on its own estimate of what can be obtained, with fluctuations governed to some extent at least by such fluctuations as may take place in markets south of the line.

The western crop will be poor indeed if there is not some surplus of oats and barley to be exported. There are no restrictions

(Continued on page 3, col. 1)

Is Cut in Price of Scrap Prelude to Cheaper Steel?

The first break in a basic Canadian industry came with startling speed last week.

Out of the blue, the price of scrap steel was cut $2 a ton. Further, the industry put its suppliers on a quota basis—it would take only a percentage of what it had been buying.

Supply had finally overtaken demand. Yet not long ago, Ottawa was scouring the world for scrap. Some of it is still being delivered from as far away as Japan and Australia.

The cut lowered the price to $22 a ton, $2 below the ceiling price. In Canada, steel is still under price control, although there is talk that it is about to be lifted.

However, pending clarification of the wage question in the United States steel industry, the government is understood to have decided to withhold any decision on removal of controls.

In Line With U. S.

The price reduction brought Canadian scrap more into line with U. S. where there is no price control. Last week, the composite U. S. scrap price prepared by the industry's trade paper, Iron Age, was $19.33, a new low for the year.

This was not much below the new Canadian price. But the big difference was, U. S. scrap had plummeted to that level from a postwar peak of around $41 a ton, whereas Canadian prices were just down $2 from the wartime ceiling.

Scrap prices were the first to slide in the U.S. That was last summer. Today the steel industry is down to about 80% of capacity from a peak of 100%. All indications are it may go still farther.

The big question being asked here was: Is the scrap cut the prelude to a general weakening throughout the entire steel industry? General opinion was that it was. Most observers predicted further scrap cuts which would

(Continued on page 3, col. 5)

Canada Gets Brunt Of U.K. Buying Cut

Jobs of 15,000-40,000 Canadians, Exports Worth $150-200 Millions a Year Are at Stake In Sterling Talks—How It May Affect Us

By KENNETH WILSON

OTTAWA (Staff)—Canadian exports valued at somewhere between $100-$250 millions annually are involved in the momentous discussions now taking place in London.

The jobs of between 15,000 and 40,000 Canadians are directly affected by the outcome. This is apart from indirect effects, such as pressure of marginal supplies on prices and other employment.

Behind the honeyed words of official press releases, the key point not as yet clarified is: has Britain come to the end of her present dollar tether?

As nearly as can be learned here, the British are talking of cutting North American purchases by $400 millions to $500 millions for a full year. The heavy share (at least $200 millions) of such reductions as are made, would fall on Canada. (Paul Hoffman of ECA has estimated the U. S. share of proposed cuts at $250 millions.)

Canada would feel the largest proportionate effect because hitherto we have been treated more lightly in earlier cutbacks. Bulk of the reductions will be in Canadian exports to sterling countries other than U. K. Thus, Britain may attempt this week to enforce cuts by these countries running as high as 50%. On the basis of 1948 trade this would cost Canada $150 millions of exports.

So far as trade with U. K. is concerned, Canadian exports which are immediately vulnerable total $25 millions to $30 millions. Over-all, there are upwards of $50 millions to $100 millions of Canada-U.K. exports involved in a more serious U. K. cutback

Exhausted by Spring?

According to British estimates, their dollar reserves would be exhausted by next spring if the rate of drain experienced at mid-year were to continue. What has been under review in London is an attempt to determine how much of the present drain is temporary and how much is likely to continue.

Canadians have had too much experience with British figures to take them at face value without most careful scrutiny.

Canadian officials have also persuaded the British to take very seriously the boosting of raw materials sales to Canada from colonial areas. We insist that such sales must be made at competitive dollar prices. If this can be achieved, it would remove one central weakness in the present British position, namely the high and artificial cost and price level of sterling area trade. We would, of course, expect U. K. to use dollar earnings from this source to offset further projected cuts.

Meanwhile, one palliative is reported to be a proposal to speed up U. S. purchases of raw materials for stockpiling purposes. This might help the British over the next few months until the real extent of their present crisis fears is known.

"Window Dressing"

No one here takes seriously the "window dressing" announcement which the three governments issued on Sunday after the Abbott-Snyder-Cripps talks. Pious restraint of hopes for multilateral trading are considered quite unrealistic at the present time. This is because of the underlying discovery, made by the British only at mid-June, that the sterling area is going "dollar-broke" in 1949 even with ECA assistance.

In short, the basic cause of the present crisis is the supposed arrival now of a situation which Britain hoped she could ward off some time prior to 1952 (the date when ECA is due to end). If the British estimates of their position are not greatly exaggerated, Canada does, in fact, face now the foreign-trade plight she knew might eventuate in 1952. This is what sent all of Canada's top-flight trade and financial officials to Britain on literally a few hours notice.

The effect of the Cripps "stand-still" order of last week already

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Inside News

Battle For Textile Sales

These are fighting days for many in the textile industry. Expanded greatly in the postwar period, today it faces a situation calling for greater efficiency in production and marketing. The battle for sales is stepped up as import volume grows. How is it facing "normalcy"? The Post's annual report on the industry tells the story of its present position, future outlook, over-all and company-by-company (pages 17-28).

How Are Your Savings?

How about financing retirement? What are your savings plans? How's your money management? That's the theme in the third installment of The Post's eight-part condensation of Ray Giles' much-discussed new book, How to Retire and Enjoy It (p. 30).

How CCL Purges Reds

Where do the Reds stand now in the ranks of the unions? This week it was possible to report that the Canadian Congress of Labor was pretty well rid of its troublesome Communists, their following cut almost in half, with more purges threatened. Labor Roundup (p. 10).

Socialist Balloons Popped

Sir Stafford Cripps, economic boss of Socialist Britain, is busy in these days of British trade crisis popping some pretty Socialist balloons with more-of-the-same in austerity. Read some of the internal political background of the present British dollar position in London Calling (p. 22).

Why Did Tories Lose?

What were the major factors in decline of the strength of the Conservative party in the Federal election? Read the informed opinions of a score of Canadian newspapermen. The Question (p. 7).

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Pace of Business

Department store sales for week ended July 2 were 27% above a year ago. All provinces except British Columbia showed large gains, with Saskatchewan up 47%, Ontario 41%, Quebec 35%, Maritimes 34%, Alberta 33% and Manitoba 28%. British Columbia showed decline of 2%.

Bank debits in May totaled $6,915 millions, decline of 4.8% from $7,267 in April but up 7.3% from $6,446 in May, 1948.

Construction contracts awarded in June were valued at $102,388,200, down $31.5 millions from June, 1948, when figure was abnormally high because two large Quebec hydro projects started that month contributed $50 millions. Total for first six months was $488.8 millions, down slightly from $483.0 in 1948.

Carloadings in week ended July 2 totaled 62,070 cars compared with 75,352 previous week and 71,064 year ago.

Petroleum production in April: 1,845,434 bbls., up from 1,748,445 in March and more than double last year's 795,724 bbls. Four months total was 6,393,368 bbls. (3,169,600).

Factory shipments of Canadian-made motor vehicles amounted to 26,708 units, slightly above April's 26,685 and 25% higher than 21,368 shipped in May, 1948. Shipments for export were 20.1% below last year at 4,217 units.

Steel ingot production totaled 283,800 tons, up 9% from 260,300 in April and 1.5% from 279,700 in May, 1948.

Unemployment insurance claims filed in May totaled 63,692, down 7.7% from April (68,979) but 50.7 above a year ago (42,257).

Butter production in June amounted to 41,284,000 lb., down 7.9% from 44,821,000 in June, 1948.

Butter stocks at July 1 totaled 42,150,000 lb., 37.3% above 30,701,000 at July 1, 1948.

Cheese stocks at July 1: 32,574,000 lb., down 21.3% from 41,404,000 lb. a year ago.

Wheat stocks at June 29 totaled 70.3 million bu., down 6.3% from 75 millions on June 23 but 45.5% above 48.3 millions a year ago.

Maple syrup production in 1949 amounted to 2,485,000 gals., increase of 3.8% from 1948's production of 2,394,000 gals.

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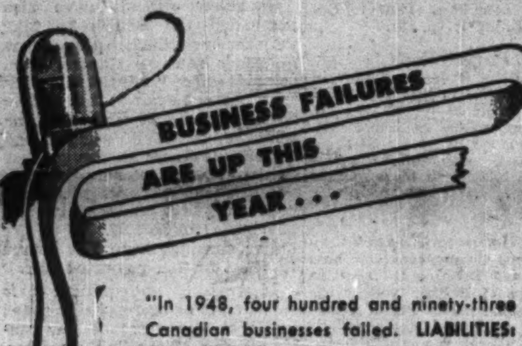

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Earnings Hopes Of Refineries

(Continued from page 1)

duction from both Clarkson and the expanded Montreal refinery can be "properly co-ordinated" with regard to transportation and "other economic factors." It is believed over 200 employees will be affected. Company officials say the production cutback is temporary.

Factors behind the drop in sales of lubricating oils—often regarded as the most profitable product on the refiner's list—appear to be an increasing proportion of newer, more efficient cars on the roads plus increasing imports of lower-priced U. S. oils.

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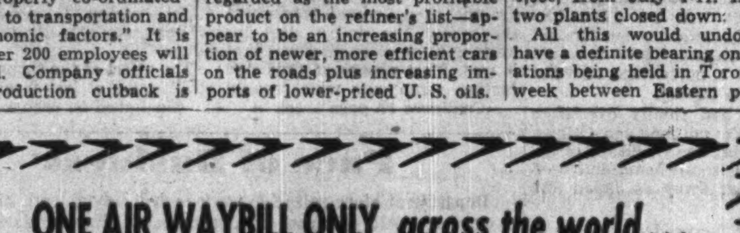

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New Firm to Benefit If U. S. Record War Over

Canada got a new phonograph record company this week at the same time that an end to the "speed battle" between Columbia and RCA Victor seemed in sight.

The new firm is Capitol Records of Canada. It will take over production facilities and plant from Regal Records at London, Ont.

Production will begin immediately, according to an announcement by W. Lockwood Miller, president of the new-formed company.

For the time being, Capitol is playing it safe. Only standard 78 r.p.m. records will be pressed. Later in the year, whether the smoke of battle has been cleared away or not, the firm will go into the long-playing discs.

Meet Quietly in New York

Announcement of the new firm came as top officials of the "big three" record firms—Columbia, Decca and RCA Victor were meeting quietly in New York to try to iron out the chaos the industry has been in since the introduction of Columbia's "long-playing" records and RCA's seven-inch disc.

Final agreement was not reached but a general basis of settlement was reportedly achieved. Wall Street Journal reports that the peace terms would require all three firms to make all three types of records: standard 78 r.p.m., Columbia's 33 1/3 and RCA's 45 r.p.m.

It is hoped this would set the mind of the public and radio manufacturers at ease. It would remove the fear of the record-buying public that any one of the present three systems might become obsolete overnight. Radio-set makers would be able to plan production of three-speed radio-phonograph combinations without worrying about whether one would be unneccessary before they could market them.

And record makers themselves, including the "big three" would at least have the satisfaction of knowing that the "speed battle" was no longer a factor in the slump in record buying. If it continues, they would know the answer lay elsewhere.

This is perhaps the biggest factor in forcing a settlement. Manufacturers don't know whether the "battle of the speeds" is responsible, but record sales plummetted last year to about 200 millions from a peak of 325 the year before. This year, things are even worse.

In recent months disc makers have tried almost every selling trick they know to stimulate sales. Prices have been cut. Some firms are reviving lower-priced labels which were taken off the market at the beginning of the war. But so far, nothing has worked.

They are hopeful that the "peace," uneasy as it may be, will do the trick. If so, they and the new Canadian firm and others already in the field, stand to benefit.

Won't Alter Import Policy Until Currency Status Clear

OTTAWA (Staff) — Government policy on import restrictions against U. S. goods is to stand pat at least until conclusion of present emergency talks in London.

Before Mr. Abbott left for London, three points of policy were agreed to;

1—No present relaxation in the fruit and vegetable restrictions.

2—Withdrawal of the open permit system for fresh pears.

3—No change either to tighten or relax general import restrictions until the over-all dollar-sterling situation can be reviewed in light of London discussion.

Mr. Abbott's undertaking to remove present restrictions on fruits and vegetable imports at mid-year was made on two occasions by way of warning to Canadian growers. But it was subject to the caveat of "unforeseen circumstances."

The unforeseen circumstances are the drop of $90 millions in Canada's gold and dollar reserves during the second quarter of 1949.

The special open permit for pears was made to help Australia, but so far as is known no pears came into this country from the South Pacific. It was thought an improper discrimination to continue this permit if cherries, peaches, etc., were under ban.

Canada's entire dollar restriction and trade policy will be under intensive study and review during July and August as a result of the British crisis and in light of the new projected trade discussions to be held at Ottawa and Washington in September.

Wage Demands Of Unions Ease

(Continued from page 1)

method of dealing with employers on the basis of what an individual company can afford to pay.

The new line was laid down in the AFL's economic publication, Labor's Monthly Survey and by an editorial signed by AFL President William Green himself. While the AFL insists that wages must be raised to "restore and increase consumer buying," it adds that increases "should now be based on the past or future increases in productivity to prevent undue rises in costs." Another guiding factor should be "company earning power," says the paper, warning against actions that would cause price inflation.

The Pulp and Paper Prospect

Earlier, R. M. Fowler, president of the Canadian Pulp and Paper Association, made the same important point when he warned that continued wage boosts might find the pulp industry pricing itself out of the market. Since then, the situation has deteriorated mainly because of the loss of export markets. It reached the point with International Paper Co. that it had to shut down its Timiskaming plant, employing 1,000, from July 4-11. In B. C. two plants closed down.

All this would undoubtedly have a definite bearing on negotiations being held in Toronto this week between Eastern pulp operators and the AFL Pulp and Paper makers. The question was: had the new AFL policy and the changed market conditions for pulp and paper altered the union's view on a wage raise?

It had out in British Columbia. There the union settled without a raise for about 5,000 workers. Wages remain at 1.06 an hour base rate against $1 in the East.

Similar economics caused miners in Nova Scotia and Western Canada to accept no-increase contracts earlier in the year. In both areas, layoffs have occurred.

Another important sign was raised in B. C. There, basic wages in another of the province's biggest industries, Consolidated Mining and Smelting, which employs 3,000, remained the same.

The Trend in U. S.

In the U. S. the trend toward by-passing raises now is more evident. According to the latest Department of Labor figures, five out of every eight contracts signed show no wage increase at all. Those who are getting raises are averaging around 5c. an hour.

There, the big question mark is the looming steel dispute scheduled to reach a climax this week (See Labor Roundup). If the Steelworkers get a substantial raise, all unions which have already signed for no raises will probably be back hammering on the reopening wage clause door which most of them wrote into their agreements.

In Canada, the so-called pattern has been set in steel; but still unsettled is the 17c. increase demanded by the 140,000 railway workers. This, and the railways' application for a freight rate increase, are two of the most critical domestic issues Canada is facing, according to one top industrialist interviewed by The Post.

Cut Equipment Orders

Because of reduced earnings, and uncertainty over the freight increase, the railways have cut huge chunks out of their orders for rolling stock and equipment. As a result National Steel Car at Hamilton, Ont., now strikebound, has only two or three months' orders in hand.

Meanwhile the big industrial unions in rubber, automobile, meat packing and electrical industries were still talking in terms of substantial raises plus social welfare programs.

There seemed little chance of getting much in the rubber trade; demand is off sharply; layoffs have occurred. The auto and steel industries are the only two still untouched by the business adjustment. Steel workers got 10c. but the auto workers face stiff resistance at Ford. Packinghouse workers might stand a slightly better chance of getting something but in the electrical industry politics — the Communist kind — not economics, will be the deciding factor in what the Red-lined CIO Electrical Workers go after.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Canadian Defense Research Board—Dr. John J. Green, deputy director-general; and scientific adviser to the chief of the air staff: Carleton Craig, chief superintendent of armament research and development establishment at Valcartier, Que.

Canadian National Railways (Western Region)—Fay N. McKenzie, general passenger agent; J. S. Stephen, district passenger agent.

Canadian Public Relations Society—Vernon O. Marquez (Northern Electric Co.) president; Bernard Brouillet (Canadian Industries Ltd.), Paul Clark (Aluminum Co. of Canada), vice-presidents; G. W. Kindersley (Shawinigan Water and Power Co.), secretary; John Heron (Royal Bank of Canada), treasurer.

Canadian Shredded Wheat Co.—I. M. Pollock, vice-president.

Newfoundland Legislature—Reginald Sparkes, speaker; John G. Higgins, opposition leader.

Northern Electric Company — M. P. Murphy, vice-president and general manager, a director; D. M. Farish, vice-president in charge of accounts and finance.

Orange Crush Ltd.—S. P. Gibson, sales manager.

Senate of Canada — Hon. George H. Barbour, Charlottetown.

University of British Columbia—Dr. Myron M. Weaver, dean of faculty of medicine.

Canadian Westinghouse Co. announce the retirement of Charles H. Mitchell, vice-president and manager of works.

Obituaries

Arthur F. White, 65, Toronto, president of the Crown Trust Co.

Andrew R. McMillan, 65, Sarnia, president of Cities Bus Service Ltd., and former member of Ontario Legislature.

Addison H. McKay, 83, Montreal, director of Labrador Mining and Exploration Co.

R. Bell-Irving, 55, Vancouver, former vice-president of Powell River Co.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Spitzer & Mills Ltd. (Toronto) says national advertising campaign, to be launched in September, will highlight new streamlined design of "Big Ben" and "Baby Ben" alarm clocks, (Western Clock Co.) English and French magazines, week end newspapers, and farm papers will be used. New design, first for "Big Ben" since 1939, cradles clock lower in base, provides slimmer case and greater visibility.

• • •

Cockfield, Brown client, Dominion Oilcloth & Linoleum Co. of Montreal, is embarked on "biggest linoleum advertising campaign ever undertaken in Canada." One hundred publications (including magazines, newspapers, rotogravure, farm papers, business and industrial publications, retail trade journals, management papers, and other press media) have a total circulation of 8,509,562, and total selling messages will be 48,359,000. Color advertising will reach 4,603,193 and total color impressions 23,016,000.

• • •

F. H. Hayhurst Co. (Montreal) appointed to direct advertising for Baume Watches, a Swiss make sold in Canada for more than 60 years. Christmas campaign will get under way in October in Quebec, the Maritimes, and Mid-Western provinces. Class magazines, daily newspapers, and radio will be used, backed by dealer displays.

• • •

C. Kanellakos & Co. (Montreal) will use one million book matches of special design, a leading business newspaper, a trade journal, and local press in key cities to advertise nationally its introduction to Canada of "La Simbombo" hand-made Habana cigars.

• • •

McKim Advertising Ltd. (Toronto) directs campaign featuring "Junket" Freezing Mix for "easy to make at home" ice cream. Through summer, ads of 144 lines and 45 lines will appear regularly in metropolitan newspapers across Canada, with special concentration in a large list of Ontario dailies.

• • •

Alford R. Poyntz Advertising Ltd.'s recently-opened Montreal office (1533 MacKay Street, Lancaster 8533) appointed to handle advertising for Farquhar Robertson Ltd., Montreal, fuel merchants and distributors of Iron Fireman products for Quebec.

• • •

Locke, Johnson & Co. (Toronto) says series of daily and weekly newspapers advertisements for Ontario Department of Highways opened last week and will continue with 270-line insertions each week. Pictured are typical street and highways situations with new spritely symbol, "Safety Sally," giving good rules for motorists and pedestrians. Rhyming headlines introduce short copy over signature of Highways Minister Geo. Doucett.

Aphids Cause $2 Millions Manitoba Loss

From Our Own Correspondent

WINNIPEG — An unexpected source of damage to Manitoba crops, with $2 million loss estimated, has appeared in the form of leaf-sucking aphids, which have totally destroyed some fields, and rapidly spread to others.

These aphids, normally present to some extent in gardens, and frequently observable in some grain fields, have not previously been known to do a great deal of damage to grain. This year moist warm weather, suitable for their multiplication, was experienced at a critical time. They spread during a few days, and with tremendous rapidity, mainly on late-sown crops of oats and barley, which were in a lush, succulent condition. Earlier-sown crops, mainly wheat, seemed to escape because the developing leaves had reached a tougher state of development.

Damage has been estimated by the Manitoba Department of Agriculture at $2 millions with somewhat scant prospect of checking it except from cool dry air. Attempts were being made to secure suitable poisons.

AMALGAMATED CHIBOUGAMAU GOLD MINES has secured consent of the Ontario Securities Commission for release of 990,000 shares from escrow as the company has not offered shares in Ontario and does not propose to do so.

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• Retail Merchandising • Practical Course in Food Economics • Science of Baking • Radio Announcing and Production.

Classes commence September 13, 1949.

A number of the courses are filled for the academic year 1949-50 but registration may be made now for classes commencing September 1950.

For detailed information on the courses, the admission requirements and the schedule of fees, write for a Calendar to

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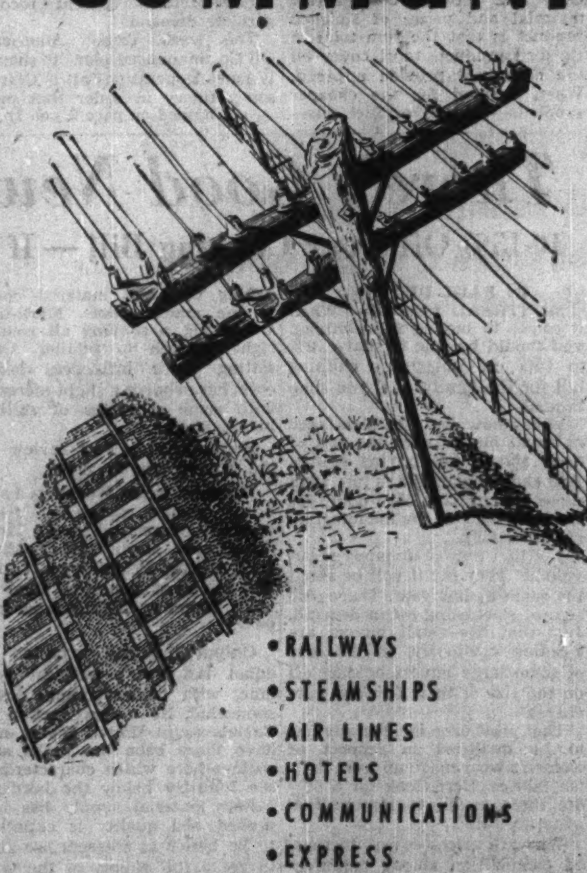

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- STEAMSHIPS
- AIR LINES
- HOTELS
- COMMUNICATIONS
- EXPRESS

Canadian Pacific SPANS THE WORLD

1949 is the year to see your Canada . . .
ask your Canadian Pacific agent for full information.

Canada Bears Brunt Of U.K. Buying Cuts

(Continued from page 1)

blackens Canadian trade and employment prospects for 1950. (The order was actually sent out in mid-June but not made public until last week.)

Effect of the order will not be immediately apparent in many lines because several countries have already granted import licenses for the next three to six months. But inability to grant further dollar expenditures except for reasons of "urgent national interest" means halting a wide range of projected 1949-50 plans. It means virtual cessation of bookings between now and mid-September. If continued beyond that date in the present form it is quite likely that upwards of $200 millions of Canadian export business will be affected.

The standstill order does not affect any present contract such as Canada now has with U. K. for food, metals, timber, etc. These will be honored. Beyond that its real meaning depends (a) on how long it continues (b) how it will be interpreted by other parts of the sterling area.

The Commonwealth Conference

The real fireworks were expected at the 10-day meeting of Commonwealth finance ministers which started Wednesday.

This is the meeting to which Canada was originally invited.

Canada objected to going to such a meeting if it were made to appear that Canada and the other commonwealth nations were "ganging up" on the United States.

It was to meet this objection that Secretary Snyder's itinerary was altered and a three-way meeting arranged in London last week prior to the commonwealth meeting.

It's an open secret here that high British officials like Sir Alexander Clutterbuck, U. K. High Commissioner in Ottawa, have been urging tripartite talks between Canada, Britain and United States for some time.

The test of the Commonwealth talks and Canadian exports will be found partly in the extent to which Britain demands further dollar austerity.

Assuming the U. K. demands heavy dollar cuts and continued allegiance to the present restrictive practices of sterling area trading, it's expected here that plenty of fur will fly.

(There's no thought here that this means the Commonwealth will "founder." But it is thought there may well be a period when trade and currency conditions within the Commonwealth may be little short of chaotic as an aftermath of present British policy and pressure).

Effect on Our Trade

Chief effects on Canada—once the real situation becomes known—are certain to be found in our trade with the sterling area rather than with Britain.

Canada's sterling area trade may well be cut in half.

In 1948, Canadian exports to U. K. were $700 million. To the rest of the sterling area, they were $300 million.

Even without the "standstill" order of last month, Britain has cut her 1949 buying in Canada to a point where for one reason or another she would have saved 10% in any event.

And since 80% to 90% of our dollar sales to Britain are now going into vital foods and raw materials, it's not thought the over-all dollar saving in this direction can be very substantial. In five months this year, U.K. purchases were $275 million in Canada. It would be a very drastic cut for U.K. to keep her overall buying in Canada in 1949 to the $500 million mark.

Here's a rough and unofficial estimate of what Britain's 1949 purchases from Canada now look like compared with 1948.

PRESENT RANGE OF U. K. BUYING IN CANADA
(Millions of Dollars)

	1949	1948 (Actual)
Wheat & Flour	300	265
Bacon	35	68
Eggs	22	37
Cheese	15	11
Fish	7	2
Metals	120	137
Wood Products	75	100
Other Purchases	26	70
	600	690

Special considerations affect a number of these items. Wheat and flour spending is higher because there is a full year of British buying at the present higher $2 price. Bacon is down, because Canada has dropped shipments almost to a trickle. Fish is higher, due to ECA buying of salmon. Metals sales should reflect lower prices even though volume is maintained. Wood products sales reflect both lower prices and switching to Scandinavian and dollar account.

The final item covers "other" or "miscellaneous" goods.

This is the place where Canadian exports to U. K. are already feeling the pinch; may well be even further hit.

Last year and in 1947 at least $60 and $70 millions of exports were sold U. K. by Canada under this general heading. Here's the complete story of our exports for these two years, broken down by foods, metals, wood products and "miscellaneous":

CANADA'S CHIEF EXPORTS TO U. K.
(In Millions of Dollars)

	1948	1947
FOODS		
Wheat	196.5	209.0
Bacon, Hams	67.8	60.6
Wheat Flour	61.6	72.4
Eggs	37.1	35.9
Cheese	11.1	13.6
Other Meats	9.5	14.5
Fish, etc.	1.8	6.5
Other	4.7	28.1
Total	390.1	440.6
METALS		
Aluminum (& products)	39.9	25.4
Copper	34.8	25.8
Lead	14.5	10.6
Zinc	12.6	10.3
Nickel	12.6	13.0
Precious Metals	11.3	8.6
Ferro-Alloys	10.0	8.1
Pigs, Blooms, etc.	1.7	3.9
Total	137.4	105.7
WOOD PRODUCTS		
Planks & Boards	43.9	77.6
Other unmanuf. wood	21.4	29.0
Wood, pulp	21.4	14.7
Newsprint	5.3	4.6
Other Paper	5.3	5.1
Other Manuf. Items	2.6	3.3
Books, Printed matter	.5	1.6
Total	100.6	136.1
MISCELLANEOUS		
Rubber & Products	1.5	3.2
Seeds	2.2	3.2
Tobacco	6.3	11.4
Furs & Prod.	8.0	7.4
Leather, etc.	1.8	4.9
Cotton Goods	1.0	.5
Wool & Prod.	.5	.5
Other Textiles	.5	.6
Rolling Mill Prod.	1.7	.7
Farm Implements	3.8	3.4
Hardware, Cutlery	1.0	.8
Machinery	2.1	2.4
Automobiles & Parts	.3	1.0
Iron & Steel prod.	1.1	1.4
Electrical Apparatus	.3	.5
Non-Ferrous Products	5.4	4.3
Asbestos, etc.	3.3	2.3
Petroleum prod.	.9	.2
Abrasives	2.2	2.7
Non-metallic prod.	1.3	1.5
Acids	3.0	1.0
Paints, Varnishes	.3	.5
Other chemical prod.	4.0	5.7
Films	.3	.3
Aircraft & parts	1.0	.4
Donations & gifts	2.4	3.2
Miscellaneous	.9	2.4
Total	58.8	69.8
GRAND TOTAL	686.9	751.2

It will be seen that if Britain got really tough, this "miscellaneous" list could well shrink from about $70 million to say $25 million for the balance of 1949. Such items as tobacco, whisky, seeds, rubber goods, electrical appliances, chemicals, cotton goods, etc., would go.

The $300 millions a year which the rest of the sterling area is now spending in Canada would be much more vulnerable to this kind of attack.

In the first five months of 1949, BWI purchases from Canada are already down from $26 million a year ago to less than $20 million. New Zealand in the same period is down from $7 to $4.7 million.

The big exception to the rule is India and Pakistan, whose purchases to the end of April were $45 million against $8.5 million. This covers special buying of wheat as well as ships, aircraft, etc. India announced this week she would issue no further licenses for imports from dollar countries for the time being. This was in line with the general declaration of the U. K. "standstill" ukase.

What kind of goods are traditional customers like Australia and New Zealand buying from Canada?

A study of latest available figures by The Post shows how intimately these purchases (in 1948) reflected a cross-section of Canadian manufacturing and production. Despite dollar restrictions which were in force even then, both these countries did their main buying in Canada in some 30 items. Here are the respective lists:

Key Items Purchased in Canada by Australia and New Zealand, 1948
(Millions of Dollars)

Australia	
Cotton fabrics	2.3
Artificial silk	.3
Blankets	.2
Timber	4.0
Box shooks	.4
Sulphite pulp	1.0
Newsprint	4.3
Paper machinery	.8
Cars, trucks, parts	15.4
Aluminum	1.7
Electric motors & parts	.5
Asbestos	.7
Ammonium sulphate	.3
Soda, sodium	.5
All other purchases	6.0
Total	38.4
New Zealand	
Linseed oil	.7
Rubber boots, shoes	.3
Auto tires	.6
Flaxseed	.4
Cotton fabrics	.5
Timber	1.2
Paperboard	.7
Bookpaper	.6
Newsprint	2.5
Wrapping paper	.2
Bond paper	.3
Pipe fittings	.2
Farm implement parts	.1
Bolts & nuts	.1
Typewriters	.1
Cars, trucks, parts	2.5
Aluminum wire	1.1
Electric motors & parts	.4
Ammonium sulphate	.2
White lead	.4
All other purchases	5.3
Total	18.4

Much the same experience can be duplicated in other commonwealth countries. Thus in Australia, in addition to the 30 customs groups covered in the above list, there were 100 additional exports from Canada last year to a value of more than $1,000 each.

What's more than likely is that Canadian sales to the other Commonwealth countries could shrink by at least half for the balance of 1949 if Britain were to gain her point and maintain a standstill policy.

It isn't clear yet that this will happen.

But already in big markets like South Africa, buying has dropped very drastically. Current trade figures with this country are falsely high due to the rush to get goods in ahead of the ban.

Oats, Barley Support Price

(Continued from page 1)

on export at the moment, except as are provided by relative price levels. Although there has not been a demand from south of the line for Canadian malting barley, there is always the possibility of such a demand developing, any move to reimpose former restrictions on export of malting barley would be resented by western barley producers, who rely on competition for American maltsters to keep up the prices Canadian malting companies must pay for suitable barley.

Start Right Away On New Ontario Asbestos Mill

MONTREAL (Staff) — Production of asbestos by Canadian Johns-Manville Co. near Matheson, Ont., is scheduled to start by May, 1950. Stripping operations will start immediately and it is hoped to have the mill plant enclosed before snowfall. Mill capacity will be 50 tons per hour. Approximately 100 to 125 men will be required to get operations under way.

Improvement of the nine miles of road from Matheson to the mine site is already under way, it is stated. Production from the new deposits will in no way affect the output from the Asbestos, Que., plant, it is stated.

Smaller Nash Due Next Year?

This week, as some of Nash Motors top executives were in Toronto completing arrangements for the formal opening of their plant in 1950, there were reports that the firm would have a smaller, cheaper model on the market next year. At present, the cheapest Nash car (imported from the United States) retails in Canada for about $2,600

It was assumed that present models and the reported smaller car will be made here when the plant gets under way. Up to now, the chief obstacle has been Canada's dollar restrictions. Under the quota system, Nash has not been getting enough U. S. dollar allotment to buy enough parts in the U. S. to make assembly here economic. It is presumed this obstacle has now been cleared away.

The Nash announcement, made by President George W. Mason, recalled the plant was purchased back in 1946 from Ford of Canada which continued to occupy it under a lease arrangement. Prior to 1942, Ford assembled cars there. Now Ford is expected to complete removal of remaining equipment by September to let Nash start equipping it.

Cut in Prices For Scrap Steel

(Continued from page 1)

eventually affect steel prices.

However, The Post was told that the consumer can expect little or no change resulting from this first price cut. It was pointed out that Steel Co. of Canada and Dominion Steel & Coal Co., gave a 10c wage boost this year but got no price increase to compensate for it. The saving on scrap is expected to make up for increased labor costs.

Supply-Demand Balance?

The price announcement came shortly after the industry had registered an all time production record in the first half of the year. Despite this, output was not sufficient to meet full requirements. However, supply and demand came closer to being in balance than at any time since the war. On most materials, no actual shortage now exists.

Market conditions in the U. S. have made more steel available for export to Canada and other countries. There are now no restrictions on the U.S. end. In addition, imports from Europe are considerably higher.

Despite our import controls, purchases of all types of iron and steel products from all countries in the first four months of 1949 were 22% over the same period last year. The over-all total was $316 millions worth against $258 millions a year ago.

Most of this came from the U.S. Currently, imports are running about 100,000 tons a month while domestic output of ingots and castings are up to a rate of about 3.2 millions a year.

The break in scrap prices leaves only the automobile industry untouched here and in the U. S., by the steady filling-up of the supply pipelines.

PRICES

(Continued from page 1)

dicates that steel scrap is no longer in short supply but export of scrap by Canadian producers is still forbidden.

Tin price was unchanged at $1.03 lb. in first sales made by RCF in fiscal year in the U. S. This price will probably prevail pending revision of purchasing terms between Britain and the Malayan producers who account for about one-third of the world supply.

Fir-plywood prices were cut 15% on the west coast to stimulate domestic consumption to replace declining export trade. Toronto dealers report ample stocks on hand at present which will mean that it will be 60-90 days before any change can be expected in eastern retail prices. Lower price may ultimately affect building costs particularly of lower-priced homes.

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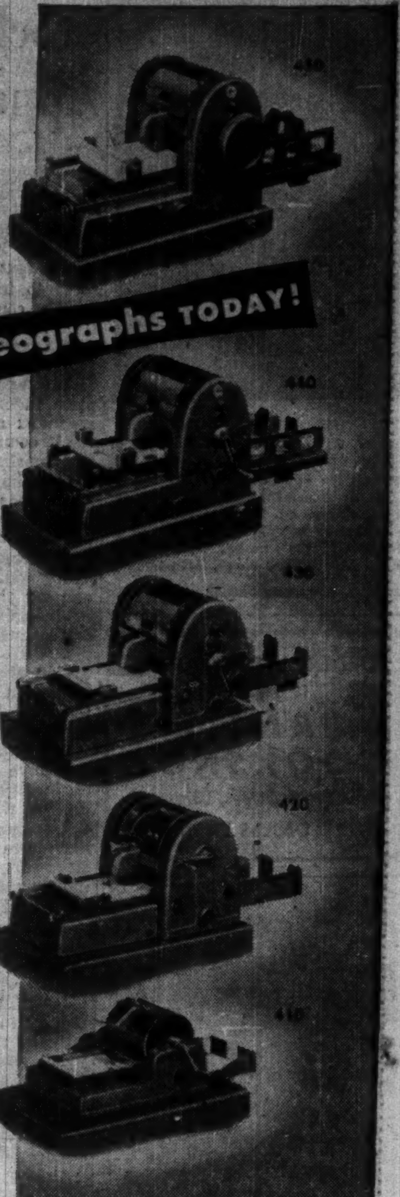

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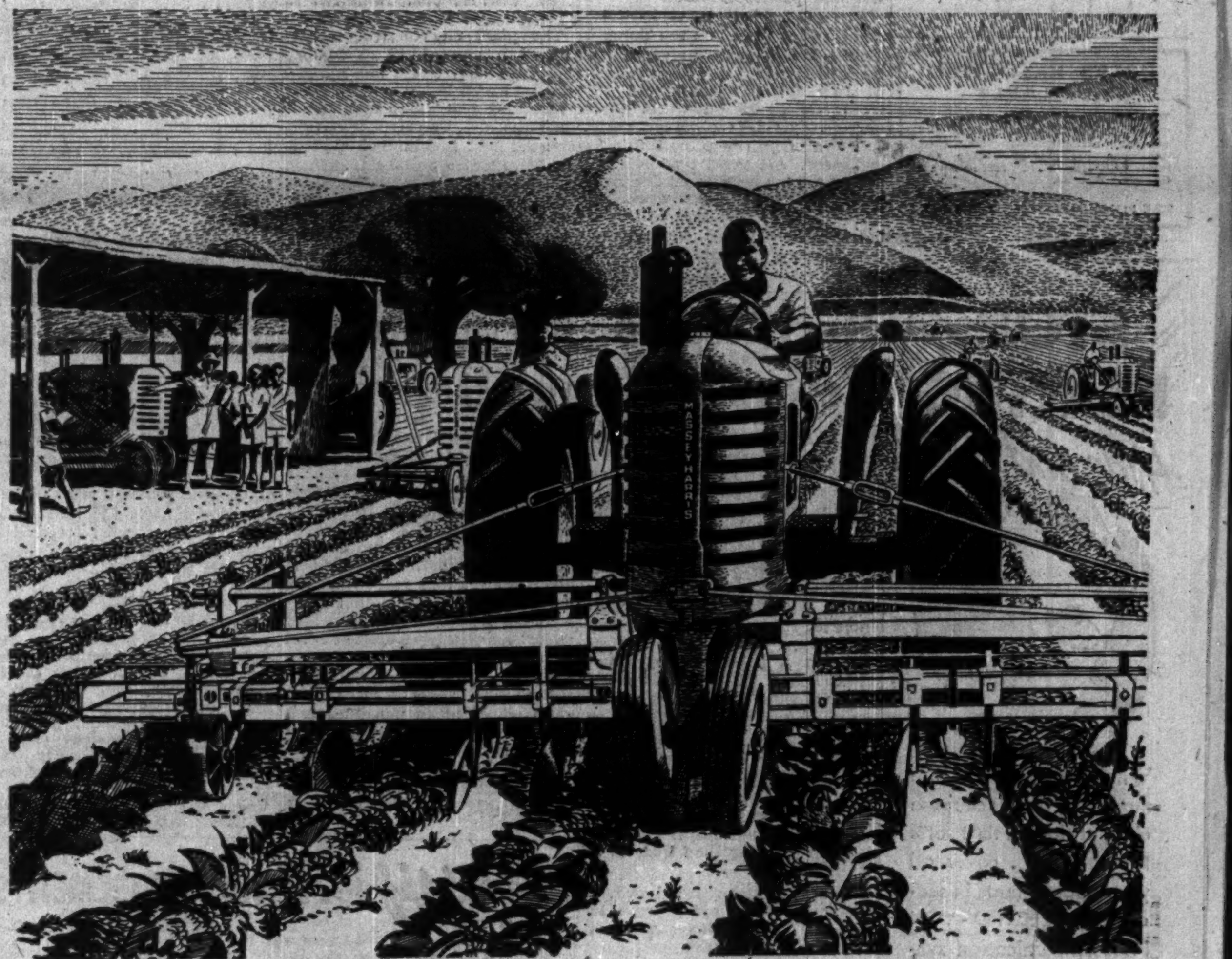
INTERNATIONAL TRUCKS
INTERNATIONAL HARVESTER COMPANY OF CANADA LIMITED, HAMILTON, ONT.



M-H Farm Machines are taming African wilds to build 3-million-acre peanut plantation

Another example of Massey-Harris partnership with food producers in all parts of the world

IN African Tanganyika, more than three *million* acres of virgin land are being brought under cultivation. It's the world's all-time biggest agricultural project . . . and is aimed mainly at the production of peanuts, valuable source of vegetable oil.

For centuries, this potentially productive land has grown nothing but underbrush and trees of little value. It could not be brought under cultivation by old-time methods, because tropical heat and tsetse fly prevented both men and animals from doing the necessary physical work. But now, with modern farm tractors and modern labour-saving farm equipment, this vast region is being added to the world's food-producing area.

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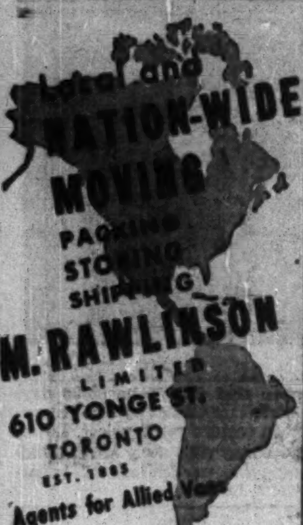

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INVESTMENTS THIS WEEK

Stocks of Textile Firms Appear in Strong Position

How far has the market prices of leading textile stocks discounted the reduced company profit margins predicted by some industry officials? A study of a group of 12 representative Canadian textile companies would seem to indicate that sales and profits could ease considerably from present levels and still leave stocks conservatively priced at around today's levels.

A comparison of the security price index for this group with an index relating to earnings of the 12 companies studied indicates that market prices of textile securities have lagged considerably behind the improvement in their earning power. Combined net profit (and losses)—based on the most recent fiscal years — was nearly four times that of the average for the prewar years 1935-39 inclusive. At the same time total working capital was more than double the 1935-39 average, despite the fact that much of the expansion in recent years has been financed by plowed-back earnings.

Since the war, many companies have been expanding and modernizing their facilities, replacing with new and more efficient models equipment which had been operated at capacity since early in the war. In 1945-48, industry spent $135 millions on plant and equipment.

In the postwar years, many companies have been adding new lines, have acquired other companies, constructed entirely new plants. This trend has been reflected in higher output, especially in the field of new fibres, yarns and fabrics. Recently production of these new synthetic products has been stepped up tremendously, accounting for about 30% of the capital expenditures made by the Canadian textile industry since 1946.

Especially spectacular, has been the extraordinary growth in the demand for rayon, with Canadian mills turning out over 115 million yards in 1948 against 95 million yards the year before. Exports were cut from 7.7 million yards to 3.6 million, but domestic demand was sufficient to use up the extra supply, partly because imports were down from 19.6 million yards to 16 million.

Despite a decline in consumption of cotton fabrics, Canadian mills upped their output to 270 million yards last year, against 240 million the year before. Under the dollar-saving program, U.S. cotton goods imported declined to 157 million from 283 million yards, but imports from the U. K. increased from 8 million in 1947 to 36.5 million in 1948.

In the wool textile markets, where supply was greatly increased through imports and all classes of fabrics were coming into plentiful supply for the first time since the war, domestic production was down slightly at 27 million yards compared with 28 million in 1947. Knitted goods manufacturers likewise were experiencing a more competitive market, although in both cases production was still far ahead of prewar.

Based on the average 1935-39=100, net profit for the 12 companies studied equalled 92.9 for 1937 and 388.1 for 1948. On the same basis, working capital equalled 99.5 for 1937 and 211.6 for 1948. Here is a record of more recent performance for the same companies. In practically every case share earnings could fall considerably, and still leave ample to ensure dividend requirements.

	Wkg. Capital ($ millions) 1942	1948	Price Range 1946-48	Recent Price	Divd. Rate	Yield %
Canadian Celanese	$5.6	$13.2	23¾-13¾†	$19½	$1.40	7.18
Bruck Mills (A stock)	1.1	1.5	36-19½‡	14	1.20	8.57
Belding-Corticelli	1.5	1.7	177-151	160	6.00	3.75
Dominion Textile	12.5	16.3	17¾-10†	11¼	60c	5.33
Canadian Cottons	7.1	8.6	49-30	46	$2.80	6.09
Regent Knitting	1.1	1.3	28-20	25	50c	2.00
Monarch Knitting	1.0	2.0	22½-11	11½	$1.00	8.70
Penman's	3.0	4.0	81-57	60	3.00	5.00
York Knitting (A stock)	1.4	2.8	8¼-6(1948)	6⅝	40c	6.04
Silknit	1.1	2.7	25½-9	15	60c	4.00
Mercury Mills	1.1	1.9	8-5½†	6¼	60c	9.60
Harding Carpets	1.2('43)	2.2	16¼-9½	9½	80c	8.42

†Figures adjusted to reflect stock splits. ‡Old.

Dividend Yields Ease On Moss, Lawson Index

The average yield on 112 dividend-paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of July 11, was 6.56%, off .18 from the preceding week. The current yield compares with 6.94% a month ago and 5.46% last year. All groups of stocks, except the banks, showed declines in yield during the past week.

Reflecting speculation on sterling devaluation and increases in metal prices, gold and base-metal shares swung upward to bring about a sharp decline of .36 in the yield on the mining group to 6.18%. This compares with 7.66% a month ago and 5.54% last year.

The yield on common stocks showed a loss of .15 at 6.76%, compared with 7.14% one month ago and 5.63% last year. The Preferred and "A" group lost .10 in yield at 6.70%. The respective figures for last month and a year ago were 6.64% and 5.46%.

Bank shares alone showed a gain in yield over last week, being up .02 at 4.01%. Comparable figures for a month ago and last year were 3.99% and 3.96% respectively.

More Reading in US Papers? Newsprint Firms Hopeful

MONTREAL (Staff) — When are U. S. newspaper publishers going to give their readers as much reading matter as advertising in the average issue? Will they ever get back to the days when they gave them 60% reading content, 40% advertising?

The Canadian newsprint industry is watching that ratio with interest. Providing advertising holds up, they see in those percentages a potential cushion of 200,000 tons of paper. It could take up some of the slack caused by steadily increasing production and mounting inventories in the hands of publishers.

Here is how they figure it:

In 1946, total U. S. consumption of newsprint was about 4.3 million tons; newspaper advertising ran to 1.7 million lines in 52 U. S. cities.

In the next two years, however, newsprint consumption rose by only 25% while linage went up 30%. Or the increase in newsprint space devoted to advertising was greater than the increase in the consumption of newsprint. In many U. S. newspapers, the ratio of advertising copy to editorial matter today is close to 60:40, compared to prewar when it was almost the reverse or 40:60.

Newsprint manufacturers see some hope that the increase in newsprint consumption will overtake — perhaps surpass — the gain in advertising linage. This could happen if publishers decided to increase the amount of editorial content, thus use more paper.

They say: we could probably use more newsprint if it cost less. Competition is likely to decide the issue for both newsprint manufacturers and publishers.

On a tonnage basis, this so-called "cushion" can be worked out like this. In 1946, total consumption was 4.3 million tons. If consumption increased proportionately with advertising linage, i.e. 30% instead of 25%, it would mean annual consumption of about 5.6 million tons. This is about 200,000 tons more than the current 1949 consumption rate. And the basis for this estimated "new" market is at present level of advertising linage or even a moderate increase. A return to the prewar advertising-editorial ratio would mean much more.

The big question mark: Can newspaper publishers under current conditions of high-cost production afford to step up the proportion of editorial content in their papers?

East Sullivan Quarter Profit Is $555,000

Estimated operating profit of $555,000 is reported by A. Archambault, secretary of East Sullivan Mines, for the three months ended June 30, 1949, with copper price assumed to be 18 cents a pound.

Tonnage milled during the period totaled 206,097 tons, an average of 2,270 tons a day. Operating costs are gradually being reduced, Mr. Archambault reports, and were $2.42 a ton during June when an average of 2,469 tons of ore was handled daily.

CHARLES L. GUNDY,

president of Wood, Gundy & Co., has been elected a member of the Montreal Stock Exchange

Argus Corp. Stock Value, Income Drop

Argus Corp. income, from investments during the six months period to May 31, 1949, amounted to $591,230, compared to $623,316 in corresponding period last year. Net income after provision for income taxes, amounted to $489,091 ($514,677).

At May 31, 1949 indicated value of the common stock was $7.81 as compared with an indicated value of $10.04 at Nov. 30, 1948. Principal change in investment holdings of the company during the period was the increase in its holding of common shares of Standard Chemical Co., from 225,100 shares to 250,000 shares.

During the period, the sum of $622,991 was appropriated from investment reserve to write down the values of certain securities having no quoted market value. Such securities are now carried on company's books at $574,320. Reserve for investments now amounts to $554,681.

Outlook for the last six months of the current fiscal year appears satisfactory, a company report states.

Investments of the company are as follows:

No. of Shares	Security	Market Value*	% outstanding Shares
200,000	B.C. Forest Prod. (com)	$525,000	10.0
330,000	Can. Brewer. (com)	6,435,000	15.0
30,100	Can. Food Prod. ("A")	301,000	30.1
46,000	Can. Food Prod. (com)	281,750	23.0
74,000	Dom. Stores (com)	1,776,000	23.6
155,000	Massey-Harris (com)	2,867,500	11.5
198,350	Orange Crush (com)	892,575	46.6
250,000	Stand. Chem. (com)	1,375,000	22.2
	Other Securities having a quoted market value	364,512	
		$14,818,337	
	Sundry investments, at book value not in excess of cost		$574,320

*As at last recorded sale price on May 31, 1949.

Expenses, including interest on borrowed monies, amounted to $99,989, compared with $100,434 for same period in previous year. After providing for two quarterly dividends on both the preference and common shares in the sum of $367,500, the balance of $121,591 was carried forward to earned surplus which now amounts to $861,644.

TOWN OF MAGOG, Que., has sold $89,000 2¾% bonds due May 1, 1950-59 and $101,000 3¼% bonds due 1960-69 to MacTier & Co. for price of 99.101, and net cost to municipality of 3.222%. Proceeds are for erection of municipal building ($35,000), electricity ($90,000) and purchase of a property ($65,000). Net consolidated debt of town at Dec. 31, 1948 was $613,430, of which $234,180 was for electricity and waterworks. Population, 11,000.

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Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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OXFORD UNIVERSITY GRADUATE—European, age 31, single, war veteran. Legal background and languages English, French, German, Polish, Spanish. Strong and unusually attractive personality. Seeks a position offering valuable experience and interesting future. Willing to travel in Canada or overseas (South America or elsewhere). Box 167, The Financial Post, Toronto.

ACCOUNTANT BOOKKEEPER, Income Tax Expert, Financial Statements, seeks part-time work. Phone By-3028, Montreal.

TECHNICAL EXECUTIVE

37, POSSESSING DOCTORATE in Applied Science, diploma in Management and Administration, corporate membership of several professional societies and some 10 years' diversified experience in solving industrial problems, invites enquiries from interested parties. Write P. O. Box 61, 678 St. Catherine Street West, Montreal.

BUSINESS ADMINISTRATION GRADUATE capable of assisting comptroller or financial executive desires position. Harvard Business School, with 6 years experience in financial analysis and accounting. Married, 29 years of age, willing to work hard. Box 176, The Financial Post, Toronto.

DRAFTING AND DESIGN SERVICES PRODUCTION ILLUSTRATIONS: Perspective drawings of products or buildings in pencil, ink or color, for advertising, manuals etc. TECHNICAL DRAWINGS: Assembly and detail drawings with material and parts lists, according to customers layouts, sketches or samples. NEW DESIGNS or improvements of products with functional and structural analysis. General machinery, Gasoline engines, Automobiles, Aircrafts etc. STYLING of industrial products as car bodies, home appliances, radios, etc. 104 Penetang St., Orillia, Ont. Charles Irbitis.

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WHOLESALE HARDWARE AND AUTO ACCESSORIES. Long established. One of the finest in Canada. Can be handled with reasonable cash payment. Enormous gross sales and net profit. L. H. Kalesky, 300 Main St., Winnipeg, Man.

WHOLESALE AUTOMOTIVE APPLIANCE BUSINESS. One of the best in Western Canada. Gross sales several millions. Requires $200,000 cash to handle. Principals' enquiries only to L. H. Kalesky, c/o Four Provinces Investment Co., 300 Main St., Winnipeg, Man.

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VANCOUVER ISLAND. Beautiful modern home, thirty acre estate on Quamichan Lake two miles from Duncan. Ideal for retirement but much commercial development possible if your energy requires outlet beyond sporting and social activities. Seventeen thousand. Box 169, The Financial Post, Toronto.

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CHARTERED ACCOUNTANT would purchase half interest in or whole practice of other Chartered Accountant. Replies strictly confidential. Box 172, The Financial Post, Toronto.

Banks Cut Borrowing Rate For IDA on Gov't Bonds

OTTAWA (Staff) — Decision of the Canadian chartered banks to permit investment dealers to borrow on government bonds at less than the coupon rate is hailed here as an important forward step.

The new policy means that dealers can borrow against Dominion Government securities at a 2½% interest rate, where previously they had to pay 3%. The new rate applies only on bonds with five or more years to run, and is restricted to members of the Investment Dealers' Association of Canada.

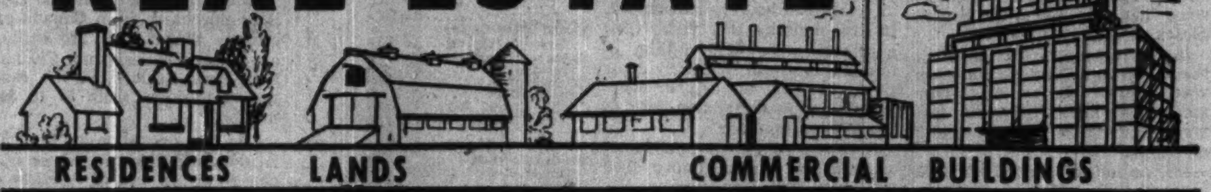
Bankers point out that when long-term issues are selling at a premium, the yield is under 3%. On that basis, investment dealers who used these issues as security for loans on which they had to pay 3% interest were operating at a loss. One estimate was that on $1 million worth of securities, the new profit margin was presently something like $400. A minimum of 5% margin is required.

This is the first time in Canadian investment history that the chartered banks have permitted such borrowing at less than the coupon rate. All other countries where there are established banking and investment dealer organizations have long permitted this.

Although the change has been urged now repeatedly by the I.D.A., it has not been officially asked for by the Federal Government or the Bank of Canada. Both the Government and the Bank of Canada welcome the move, but they claim they had no part in causing the chartered banks to change their policy.

For the Government, the change is presently of minor importance except that a sizeable "inventory" of government securities on dealer shelves adds further breadth to the market. If dealers get in the habit of holding good-sized inventories of government bonds, rather than merely acting as agents, then the chances are they will want to merchandise this type of security more aggressively and keep their inventory turning over.

REAL ESTATE



YELLOREX MINES reports that July 2 installment of 50,000 shares at 45 cents a share together with the subsequent installment under agreement with James A. Whalen have each been extended 60 days.

DOME MINES reported June, 1949, production of $435,795 secured from the milling of 52,600 tons of ore. This compared with $446,391 the previous month and $454,534 for the month of June, 1948.

CHIPMAN LAKE URANIUM MINES reports that by agreement of April 29, 1949, accepted for filing by the Ontario Securities Commission June 27, 1949, Tidewater Securities purchased 100,000 shares at 5 cents a share and received an option on a further million shares at 5 to 25 cents a share. Authorized capital of the company is 3.5 million shares of which 1,200,005 have been issued (1,080,000 in escrow).

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Engineering Under Way For Alcan's B. C. Plant

MONTREAL (Staff) — Only definite plans for an aluminum industry in British Columbia by Aluminum Co. of Canada at present are the engineering and survey work presently under way, the Financial Post understands. This work, costing about $1 million, follows last year's preliminary investigations on which the company spent an estimated $125,000.

As previously reported, however, (The Financial Post, Aug. 28) Alcan is thinking in terms of a one-million hp. development or sufficient to support an annual aluminum ingot production of 300,000 tons. This would mean an industrial community of some 50,000 to 75,000 persons and $100 millions annually in aluminum production and wages.

Tweedsmuir Park, North of Vancouver, has been suggested as the possible site of the plant. It is understood that the final decision will depend on where the power is to be developed. Two sites have been investigated, one at Bute Inlet, the other in the Eutsuk-Whitesail-Kinsquit area. The Bute Inlet is said to have a number of advantages but current investigation is proceeding in the Whitesail district.

A big factor in the B. C. development is that of financing. Into this enter questions of construction costs, markets, etc. It is recalled that the big Shipshaw development at Arvida, Que., was rushed to completion as a top priority project in wartime. The B. C. development, which would be of comparable size, does not, at present anyway, call for the same haste. It is estimated that a minimum of $300 millions would be required to finance it.

It is pointed out that investigation of the B. C. power sites by Alcan is in accordance with the long-time policy of the company to keep a jump ahead of its potential requirements. Vice-president McNeely Dubose has pointed out that the "Aluminum trail" has always been in the direction of low-cost electric power, the important cost factor.

$2 Millions Financing For N.B. Telephone

An offering of $2 million 25-year debentures of New Brunswick Telephone Co. has been privately sold by a syndicate headed by Royal Securities Corp. Price of the 3⅝% series B debentures, due Aug. 1, 1974, is 100.27 and accrued interest.

Proceeds of sale will be used to provide part of the cost of new construction and equipment, including additional toll facilities, required to meet existing heavy increase in demand for service on the company's system. Capitalization, giving effect to new financing, will consist of an outstanding $1.5 million 3⅝% series A debentures maturing Oct. 1, 1973 and an outstanding $2 million 3⅝% series B debentures maturing Aug. 1, 1974 and an authorized $14 million common stock ($10 par value) of which $11,118,100 is outstanding. (The company also has outstanding in connection with its pension fund a 5% demand note of $125,465.)

Average annual earnings before depreciation, interest charges and income and excess profits taxes for the 10 years ended Dec. 31, 1948, was $1,110,522. Total annual interest charges on debentures now to be outstanding will be $118,125.

Total operating revenue of company has risen from $2,598,647 for 1944 to $3,639,660 for 1948. Number of company owned telephones in service increased from 41,991 in 1944 to 59,400 at end of 1948. Between Jan. 1, 1946 and Dec. 31, 1948 the company increased number of telephones in service by 15,545. Despite this there were at latter date 4,895 applicants awaiting service.

Working capital position at end of 1948 stood at $586,438 as compared with $246,001 at end of 1947.

N. Que. Power Adds Capacity

MONTREAL (Staff)—Northern Quebec Power Co. expects to have another 10,000-12,000 hp capacity available within the next month, The Financial Post is informed.

The increase in capacity is being made possible by raising the head from 70 ft. to 90 ft. at the company's power development on the Quinze River. Scheduled for June completion, operations were delayed because of high water, B. V. Harrison, vice-president and general manager, told The Post.

Water supply is very good after heavy rainfall in northern parts of Quebec and Ontario. Last year a poor run-off left water reserves low and resulted in power drought late in the year.

Northern Quebec Power's generating capacity now totals 40,000 hp, but construction work under way will increase this to about 84,500 hp, probably by next summer. In the meantime, the company is purchasing power from Quebec Hydro to help maintain deliveries to customers until its own additional capacity becomes available.

The area served includes the mining districts in the Rouyn-Noranda area of Northern Quebec. Demand has increased this year, notably through the coming into production of East Sullivan Mines and Quemont Mining Corp. properties. Quemont, which started up its 2,000-ton-daily capacity concentrator late in June, is taking about 4,000 hp at present, will be using 5,000 hp at capacity production.

Public Utility Earnings
Mexican Light & Power

March:	1949	1948	% Change
Gross. oper. earnings	$1,765,600	$1,807,369	—2.3
Less: Oper. exp. & deprec.	1,544,142	1,685,028	—8.4
Bond int. & s.f.	181,000	185,000	—2.[illegible]
Net earnings	40,458	*62,657	
Three Mos. to March 31:			
Gross earns.	$5,250,495	$5,507,827	—4.7
Less: Oper. exp. & deprec.	4,559,322	4,958,862	—8.1
Bond int. & s.f.	543,000	555,000	—2.2
Net earnings	148,173	*6,025	

*Deficit.
Figures are subject to final adjustment.

Ford Hotel Stock Option Expires

MONTREAL (Staff) — Option granted Webb & Knapp, large New York real estate holding company, to purchase shares of Ford Hotels Co. Inc., at $30, has not been taken up. The option expired June 30 and was not extended under provision for a 30-day extension.

According to an earlier report, holders of over 95% of the shares of Ford Hotels had agreed to deposit their shares with a transfer agent pending Webb & Knapp's decision. A forfeit of $1 per share was to be paid if the option was not taken up.

Dom.-Scottish Ups Bank Group

Most significant portfolio changes disclosed by the annual report of Dominion-Scottish Investments Ltd. are a decline in holdings of government and municipal securities from 24.99% at May 31, 1948 to 14.52% at May 31, 1949, and an increase in the banking and financial group from 11.82% to 18.91% of total holdings. Transportation accounts for 6.18% and compares with .31% invested in railways and steamships at previous year end.

The following are the portfolio holdings at May 31 each year according to groups:

	1949 %	1948 %
Cash	.08	3.18
Banking & fin.	18.91	11.82
Govt. & munic.	14.52	24.99
Public utilities	9.66	8.08
Manufacturing	9.45	9.72
Mining	8.24	7.41
Pulp & paper	8.09	9.73
Transportation	6.18	...
Railways & steamships	...	.31
Oil	5.54	5.95
Foodstuffs & bev.	5.41	6.32
Trading	5.30	2.89
Engineering	2.20	1.94
Elec. & rlwy. equip.	1.61	1.81
Textiles	1.59	1.82
Miscellaneous	1.35	2.46
Steel	1.33	.80
Auto & aviation	.64	.62
	100%	100%

Short Position Rises On T.S.E.

Semimonthly short position of The Toronto Stock Exchange as of June 30 shows the aggregate short positions, eliminating odd lots, on the books of member firms at 499,863 shares of 129 issues, compared with 465,403 shares of 133 issues on June 15.

Largest net changes from previous compilation in individual mining stocks were:

Stock	Change	Stock	Change
Roche L. L.	+30,000	E. Sullivan	—6,300
Eldona	+11,000	N. Calumet	—4,600
Sherritt	+10,300	N. Marlon	+3,000
Base Metals	+6,300	Silanco	+3,000

Largest changes in industrial stocks were:

Stock	Change	Stock	Change
Fleet Mfg.	+500	Dom. Stl. & Coal B	+250
Imp. Oil	—425		
Int. Paper	+375	Int. Nickel	—210

MARWOOD MINING CORP. reports that under agreement of Aug. 24, 1948, George A. Anderson has purchased 100,000 shares at 5 cents a share and has exercised his options on 100,000 shares at 5 cents and 200,000 shares at 7½ cents. Payments due June 20 and Sept. 20 have been anticipated. Options are outstanding on a further 600,000 shares in blocks of 200,000 shares each at 10, 15 and 20 cents a share.

Opportunity Unlimited!

A Growing DEPARTMENT STORE . . .

Located in one of the most thriving areas of Greater Montreal, with a record of over 30 years of successful operation, can be purchased under $500,000 because of the desire of its owners to retire. Offers unlimited possibilities for future development. If seriously interested write confidentially to

Business Counsel,
P.O. Box 68,
MONTREAL 28.

Quality Steels Bondholders' Group Formed

A bondholders protective committee for the general mortgage bonds of Quality Steels Ltd. was formed at a recent special meeting of bondholders. It is believed that negotiations will be continued towards providing new financing to enable re-opening of company's London, Ont. plant. Manufacturing operations were stopped last November when bank credits upon which the plant was operating, were withdrawn.

The company was incorporated in 1947 to acquire the Federal Foundries & Steel Co. Holders of bonds of the Federal Foundries received bonds and stock of Quality Steels while shareholders of the old company received shares in the new firm.

New Insulation Plant Delayed At Com Alcohol

MONTREAL (Staff) — Commercial Alcohols Ltd.'s new magnesia insulation plant at Gatineau, Que., expected to come into production this month, won't start operating until the end of August, according to present indications.

The building for the new plant was finished late last fall, and all the equipment has now been installed with the exception of the molding machines which will probably be ready about the end of this month, President C. G. Kertland told The Post this week.

Commercial Alcohols has signed a seven-year contract with Canadian Johns-Manville Co. to supply 85% magnesia insulation from the new plant, Mr. Kertland said.

Magnesia insulation is made from carbon dioxide formed as a by-product of the fermentation process in manufacturing industrial alcohol. The new plant adjoins the company's new alcohol manufacturing plant which came into production in January.

The contract will contribute materially to the stability of the earnings of the company, it was stated in the company's annual report.

KENSULL GOLD MINES reports that under an agreement dated April 29, 1949, and accepted for filing by the Ontario Securities Commission, June 30, 1949, David D. Bennett was granted an option on 100,000 shares at 10 cents a share. Authorized capital of the company is three million shares of which 1,285,750 shares have been issued (900,000 in escrow).

Power Demand Rises in Ont.

Monthly load summary of primary power demands for May, 1949, shows an increase of 3.1%, or 66,420 kilowatts over same month last year, The Hydro-Electric Power Commission of Ontario reports.

The Commission's May summary also records an increase of 3.8% in the total power generated and purchased in the Southern Ontario and Thunder Bay Systems and the Northern Ontario Properties, 79,005 kilowatts over May, 1948.

Here is the tabulation in kilowatts.

	Maximum 20-Minute Peak Kw. May, 1949	May, 1948	Incr.
(Actual loads plus cuts)			
Southern Ont. Sys.	1,839,400	1,833,648	0.3
Thunder Bay Sys.	158,407	115,530	37.1
North. Ont. Prop.	208,821	191,120	9.3
Total	2,206,718	2,140,298	3.1
Total Generated and Purchased			
South. Ont. Sys.	1,720,390	1,709,483	0.6
Thunder Bay Sys.	172,307	116,030	48.5
North. Ont. Prop.	255,231	243,410	4.9
Total	2,147,928	2,068,923	3.8

DEWSON MINES had an amended agreement accepted for filing by the Ontario Securities Commission on June 28, 1949. The present offering of shares has been purchased by the broker-dealer from the personal holdings of Walter Parry, president of the company, at a discount of 25% from the price at which such shares are being offered to the public.

CANADIAN GOVERNMENT
PROVINCIAL and MUNICIPAL
SECURITIES

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LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

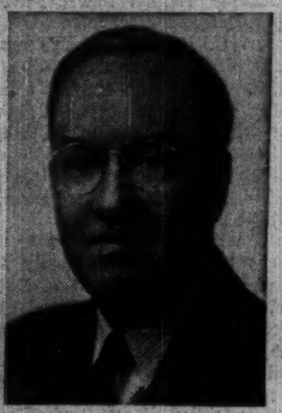
MR. MANAGER!
We manufacture for your trade:—
PREMIUMWARE—no brands stay sold
PROMOTION LOTS—to help dispose of old stock
ALUMINUMWARE—at popular prices
STAMPINGS—which you may require

METALITE COMPANY LTD.
CAP DE LA MADELEINE QUEBEC
CANADA

Canadian Canners Ltd. Announce New Appointments

E. A. PEARCE

D. R. McCAHILL


H. G. STAPELLS, K.C.

At a recent meeting of the Board of Directors of Canadian Canners Limited, Hamilton, the following appointments were made.

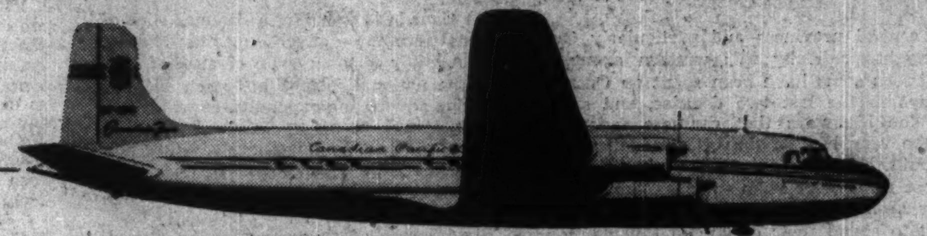
MR. E. A. PEARCE was elected President, having been a Director and Vice-President in charge of eastern operations at Picton, Ontario, for many years. Mr. Pearce joined the Company in 1910.

MR. D. R. McCAHILL was elected to a Vice-Presidency and continues as General Manager, a post he has held since 1947. Mr. McCahill has been a Director since 1938, having joined the Company in 1912.

MR. H. G. STAPELLS, K.C., was elected to the Board of Directors. A well-known corporation and tax lawyer, Mr. Stapells is on the directorate of several other large Canadian companies.

Mr. Pearce, in a recent interview, is quoted as saying that his aim will be to maintain the highest degree of harmonious working relationships between personnel and management which has existed in the company for many years — and to keep shareholders advised of the progress made by Aylmer and our various other brands in Canada and other markets.

FLY ACROSS THE PACIFIC



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A new idea in air travel and comfort

Fly Canadian Pacific style to Australia! Flights from Vancouver via Honolulu and Fiji with connections at Fiji for New Zealand! In the air, Canadian Pacific gives you all the speed of flying *plus* the superb service and friendly hospitality that have made Canadian Pacific the world's greatest—and the world's most gracious—travel system!

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Connecting Routes
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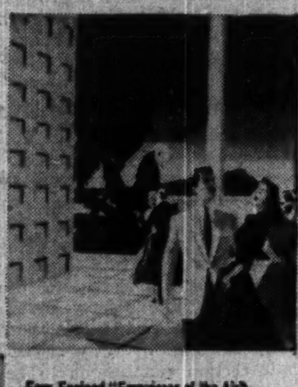
SHANGHAI
TOKYO
HONG KONG
HONOLULU
CANTON ISLAND
FIJI
AUSTRALIA
SYDNEY
AUCKLAND
NEW ZEALAND

Comfort on the ground by night!

You get the extra comfort of sleeping on land at night at Honolulu and Fiji as the guest of Canadian Pacific—*with your room and meals at no extra cost to you!* When you fly Canadian Pacific style, you fly relaxed—arrive refreshed! Here is the happy balance between air and surface travel that only Canadian Pacific offers!



Comfort in the air by day!

Soft, full-length reclining "Loungaire" chairs . . . grand for napping or reading. Courteous, efficient stewardesses, ready to serve you in the traditionally gracious Canadian Pacific manner. The same special "personalized" service high in the air that has made Canadian Pacific your favourite host on land and sea!

Four-Engined "Empresses of the Air"

Wing your way across the Pacific . . . in pressurized Canadian-built aircraft . . . powered with four Rolls Royce Merlin engines—manned by seasoned Canadian crews. Canadian Pacific makes your flight a tour! You get *more* out of the trans-Pacific part of your trip . . . more rest . . . more sightseeing . . . yet you pay only the standard airline fare!

Later this year, Canadian Pacific will open a second trans-Pacific air service between Canada and the Far East.

Canadian Pacific
AIR LINES

Information and reservations from any Canadian Pacific office or your own Travel Agent.

"WINGS OF THE WORLD'S GREATEST TRAVEL SYSTEM"

Real Chance for Senate Reform

In several newspapers last week appeared an unusual suggestion. Prime Minister St. Laurent was urged to appoint to the Senate some of the more prominent of the defeated Conservative candidates. As especially suitable were mentioned three members of the last House who have given long and useful service in parliament.

Though there is certainly no traditional political responsibility on Mr. St. Laurent in this regard, such a generous move would bring wide approval and it might be of very considerable practical value in Senate reform.

In recent years the prestige of the Senate has sunk alarmingly low. In detecting a few flaws in too hastily passed legislation some service has been received by the public from this extra and expensive form of government. On the whole, however, the Senate has been but a weak echo of the House of Commons. Where real, nonpartisan leadership was needed, it has failed to produce anything effective.

Though it doesn't have to face elections the Senate has proved just as vulnerable as the Commons to pressure from special lobbies. Its repeated rejection of the bill to lift the totally unjustified ban on margarine is one example. Its docile acceptance of highly doubtful and socialistic legislation on grain marketing is another.

And there is little hope indeed of any improvement if the usual policy in regard to Senate appointments continues to be followed. With a few notable exceptions only retiring stalwarts of the party in power have had a chance. The result, after fourteen years of continuous Liberal administration, is a Senate preponderantly of one party only, (74 Liberals to 15 Progressive-Conservatives) with no substantial correction possible in the foreseeable future.

Average age of Senators now sitting is 69.2 years. Their average life expectancy is 10.9 years. Unless Mr. St. Laurent goes outside his own party, there is very real danger that the Senate will become virtually a one-party house. For many reasons that would be bad. Then, under government of a different stripe, the cry for Senate abolition would indeed rise high and loud.

With thirteen vacancies still to be filled and some outstanding timber among his defeated opponents, Mr. St. Laurent has an unusual opportunity now to begin building a genuinely nonpartisan, experienced and useful upper house. By breaking with the old tradition, the Prime Minister could start restoring the Senate to its original role of acting as a mature, advisory body, free from party subservience. He would also be doing something worth while to offset perhaps the greatest weakness and danger in the next parliament. This is the numerical weakness of the official opposition.

Finally in a most practical manner Mr. St. Laurent would be carrying out the pledge he made on election night "to ensure to all Canadians, in every province, of every race and creed and class, and of all political parties, the closest possible approach to equality of opportunity and to a fair share of the bounties with which providence has endowed our favored land."

Two Ways To Balance Trade

Leading British newspapers, including the labor Daily Herald, have been sharply critical of the U. K. government's new dollar-saving proposals. This is a negative approach, they claim. Instead of emphasis being placed on dollar saving, they argue it should be on earning more dollars by boosting exports.

Not many months ago Canada gained some valuable experience along this line and it is to be hoped that Mr. Abbott, now in London, will tell the British about it.

As a last minute desperate remedy, Canada too was forced temporarily to reduce purchases in the United States. But with that austerity program, was coupled an intensive and successful drive to boost Canadian exports. In the long run the aim was to balance purchases and sales in the U.S. not by reducing the former but by bringing up the latter.

That is the only permanent solution for Britain too.

Merely curbing purchases in dollar countries may easily lead to still greater impoverishment. It is an old and sound rule in business that to make more money one must spend more money. To earn more American dollars Canada learned that in many lines more American dollars had to be spent to get the vital raw materials or key equipment. Before more exportable goods could be produced there was an outlay for the necessary plant.

Britain will learn that too. In the long run balance can best be achieved by building up the low side not cutting down the higher.

Spend Road Dollars More Wisely

A recent survey of new highway construction by The Financial Post showed that most of the western provinces were concentrating on improving connections with the United States. This is a sound move as it will build up our most profitable "export," namely the tourist trade.

The central provinces and particularly Ontario might profit by this western example. Tremendous sums have been spent on Ontario highways in the last two decades, and super multi-lane highways that compare favorably with the very best in the United States have been built. But for some strange reason few of our best roads ever seem to reach the border. The first experience of many American visitors, itching to spend their dollars in Canada, is a long drive over twisty, bumpy roads.

The main artery leading from the Detroit area, for instance, is reported in deplorable condition most of the 200 miles from Windsor to Hamilton. Yet it is over this route that perhaps 25% of all Americans coming into Canada must travel. Eventually something straighter and wider will have to be built to handle future traffic but an immediate correction is relatively inexpensive. All that is required is resurfacing.

Because of our vast size in comparison to population it will be many years before Canada can hope to have fine highways everywhere. But this is all the more reason why we should be very careful now to spend our road dollars to the very best advantage.

If We Would Sell History

On the selling principle of first finding out "what interests the prospect," the Ontario Historical Society can offer helpful information to those seeking to use history as a tourist magnet.

When the society manned a small booth at last year's Canadian National Exhibition, it had as many Americans bringing enquiries to it as Canadians. Besides answering the recent Post headline — "Will History Bring Tourists?"— this experience and the correspondence the society has had every year with Americans permit certain conclusions to be made about which phases of our history might interest large sections of the U. S. public.

For instance, our struggle for responsible government and the story of the Upper Canadian rebellion of 1837 will leave most guests cold, advises the society's president, John Barnett. Sites where we repulsed or defeated American troops hold less lure than those in which fortunes of war were reversed—Fort York's potential appeal falling in the latter category. Relics and sites connected with the slavery struggle, particularly if they can be pinned to Uncle Tom's Cabin, have a decided appeal "as that story is still well known to most Americans, despite the encroachment of Superman and other so-called comic section heroes." Longfellow's romantic poem is still bonusing the appeal of our Land of Evangeline.

But, Mr. Barnett emphasizes, there are tens of thousands of Americans who have definite family connections with Canada's early history. The old churches, schools, roads, farm sites, even the brooks and streams they have read of in family letters and diaries, or have heard talked of in family tradition, have a great attraction to them. They are particularly interested in old church records showing births, marriages, and deaths; in school records, old deeds, and documents relating to areas in which their relatives once lived.

By preserving and publishing old records, the Ontario Historical Society and parallel organizations across the country meet a specialized need of these visiting "searchers." A broader contribution is suggested by evidence across the border that those States which use history most effectively to promote tourist activity are those with large and strong State Historical Societies. This supports Mr. Barnett's contention that we (including tourist officials) must become much more history-conscious ourselves if we ever hope to use history as a stimulant to our tourist activities.

Sell More at Home

Whether Canadian buying urges can be kept sufficiently whetted to sustain this country's more abundant production of trademarked consumer goods is a pertinent question now that many foreign doors have been shut to exports of this type.

Walter D. Fuller, president of Curtis Publishing Co., Philadelphia, provides a yardstick against which our efforts at maintaining the domestic market can be measured. He points out that there has been a decline in the percentage of national income which has been spent for advertising. Last year, he said, the U.S. figure was 1.8%, compared with 3% or more from 1900 to 1930, with the exception of two abnormal years. In these figures, Mr. Fuller read a danger of "advertising inadequacy"; of promotional efforts ebbing too low to perform the necessary task of moving goods and services in adequate amounts to keep the economy in high gear.

What about Canada? Two points seem indisputable:

(a) Canada is spending a slimmer slice of its national income on advertising than it did prewar. A study on one group of media indicated that the national income has risen 40% faster than the advertising expenditures which help to keep national income up.

(b) Canadians do not allocate, either now or prewar, as large a percentage of their national income to advertising as is common in the United States.

Significance of these figures for Canada is clear. With a vastly increased national production to move, it is very clear that the business sights have not yet been raised high enough; that old yardsticks are quite inadequate in this new and enlarged postwar Canada.

Is It Always Boom or Bust?

When people talk about stopping the boom-bust cycle, as many of them do in every walk of life, they nearly always talk about what the Government should do. And most governments have—or at least pretend to have—a shelf full of plans for warding off a depression.

To a large extent these plans are there by popular demand. It is not only the adherents of the planned state who ask the Government to "do something" as soon as the bloom goes off the boom; and businessmen are not always the last in the line. But are governments the only people who can ensure a reasonable stability in the national economy? Too often both businessmen and laborites act as if they were. But it has been forcibly suggested at an Economic Institute sponsored by the Chamber of Commerce of the United States that business itself could do something to smooth out the booms and the busts.

Adolph G. Abramson, economist of SKF Industries, after examining the objections usually made to action by individual companies, concludes that a program of individual company action could and should be devised, and that business should not simply leave the problem to the government. Businessmen, he says, "are neither passive spectators nor controlling dictators, and the extent of their influence may vary in different cycles, but they are significant."

Among the proposals suggested as being of conceivable use are: regularization of capital expenditures (spreading them more evenly over the years); dynamic price policies, reductions timed properly and technical improvements passed on quickly; planning of production over a relatively long-term period in spite of minor sales fluctuations; avoiding speculative inventory accumulation; and many more of a similar kind.

Mr. Abramson does not attempt to judge the effectiveness of these or any other steps. He believes a course of research is badly needed. But he does emphatically assert that intelligent action by individual companies could very definitely help to mitigate the business cycle.

Napier Moore's Scratch Pad

OF LATE, LETTERS from quite a number of our English friends have commented on the growing lack of politeness on the part of people once renowned for their cheerfulness—taxi drivers, bus conductors, railway employees, store and hotel clerks, etc. So we were vastly interested to hear from David H. Gibson a report on a lengthy trip through the U. K. Mr. Gibson, a director of Robert Simpson Co., who has made some 58 Atlantic crossings, said that wherever he went he experienced the utmost courtesy and good humor.

Incidentally, he said that most average people he met now realize that they themselves, as taxpayers, are paying for the "free" health service, for the colossal food subsidies and for the losses in nationalized industries.

• • •

WE NEVER THOUGHT we'd live to see the day when in Toronto we'd be content to sit at a window for hours on end and happily watch ordinary rain fall. We did that last Saturday, when a two-month drought was broken. And we thought of another drought and another window.

It was in the mid-thirties and we were on a train going through Saskatchewan. It stopped for a few minutes at a small station, and we got out to get a breath of air. On the platform stood three small girls. They too were gazing through a window. The dining-car window. They were bright-looking youngsters, and we had a moment's chat. They said they lived on a farm a mile or two away and had walked over to see the train come in. We said we supposed they got a lot of fun out of watching the train come in. One of them said, "Yes. But we really come down to watch the people eating. You see we're on relief. We're dried out."

So it is that whenever we find ourself worrying over a bit of parched lawn, or fretting over a couple of discouraged zinnias, or whenever anybody talks about the good times farmers are having, we think about that.

• • •

DURING OUR CHERISHED WET spell we caught up with our back reading; a fortunate thing for this column. What interested us most was a piece in the Calgary Herald by our old friend Dan McGowan, naturalist of the Canadian Rockies. Dan tells how, in September, 1945, two golfers were caught in a rain squall at the De'il's Cauldron hole on the Banff Springs course. While sheltering in the hut near the green they saw a golf ball lodged in the branch of a spruce tree some 10 feet from the ground. Pitching stones and shaking the tree they not only brought one ball down. They precipitated a shower of 37 golf balls. Small tooth marks revealed that a pine squirrel had hoarded them in the fond belief that they were edible.

Twenty years ago, on the Calgary Country Club course, with our own eyes we saw a gopher snitch a ball and dive with it into its hole.

So far as we are aware there is nothing in the rules of the Royal and Ancient Golf Club of St. Andrews, or of the Royal Canadian Golf Association, to cover such a situation.

• • •

IN CANADIAN TRADE ABROAD we came across the best story about the recent International Trade Fair. An exhibitor from England traveled more than 3,000 miles from his plant to discover in Toronto the coil-winding machinery required by his firm. He bought it from the exhibitor in the booth next to his—another Englishman from Leicester, just 200 miles from his own home base.

• • •

G. I. BACON OF CORNWALL, in an address to the Canadian Transit Association, told how that city had switched from streetcars to trolley coaches. According to Civic Administration, Mr. Bacon said that the only objections registered so far were from people who formerly used the streetcars as alarm clocks. The trolley coaches are so quiet that this no longer is possible and they have had to buy their own alarms.

• • •

THEN IN TAX OUTLOOK, a publication issued by the Tax Foundation, Inc., of New York, we are told that in Washington there was 1,413 miles of filing cabinets containing federal records. They occupy 18 million square feet of space—the equivalent of six Pentagon buildings. The Hoover Commission hasn't yet got at the number of civil servants who busy themselves with these records (it was 340,000 in 1940) but it estimates that salary costs might well be a billion.

Stop Me If—

Three very deaf old ladies were riding on a bus. The windows were open, and the three old ladies couldn't close them.

"Windy, isn't it?" said one.

"No, it's not Wednesday. This is Thursday," said the second.

"I'm thirsty, too. Let's all get off and have a soda," said the third.

• • •

The man had just bought a cigar in a department store and started to light it.

"Didn't you notice the sign?" asked the salesgirl.

"What!" exploded the customer, "You sell cigars here but you prohibit smoking?"

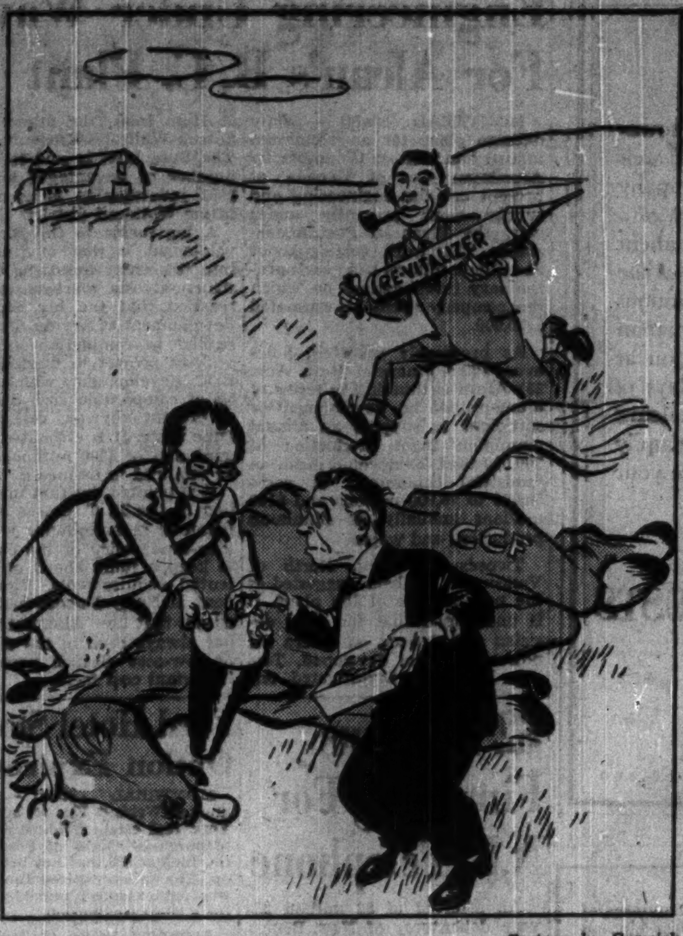
"We also sell bath towels," the salesgirl replied.

• • •

The Latin teacher was in fine humor after lunch and instead of settling right down to Latin, he decided to tell the class a couple of jokes he'd heard the night before. Everybody laughed and laughed — except one girl in the first row.

"What's the matter?" asked the Latin teacher. "Haven't you got a sense of humor?"

"I don't have to laugh," said the girl, "I'm transferring to another school Friday."



Cartoon by Grassick.

SASKATOON (CP).—The annual convention of the Saskatoon CCF Provincial Constituency Association has passed a resolution calling for the revitalizing" of the CCF movement.

Post Scripts

Warehousemen's President

The Canadian Warehousemen's Association is the round table of a business which in the last two decades has become big. The storage and warehousing industry has had to keep pace with the nation's increasing production and the last world war loaded it with a hodgepodge of inharmonious problems to provide space for perishable and nonperishable commodities.

MR. COWAN

William B. Cowan, a quiet and mild-mannered Scot, was elected president of the Association at its recent annual meeting in Toronto. Mr. Cowan has been manager of the Winnipeg Cold Storage Co. at Winnipeg for only a few months, but directly and otherwise he has spent 25 years in the storage and warehousing business. As president of the Canadian Warehousemen's Association he heads an organization which has 214 member companies throughout Canada.

It has in fact three divisions, a cold storage branch which houses huge quantities of foodstuffs, a merchandising division, and a household goods division, all of which were taxed beyond capacity during the war and postwar years.

By training and experience Mr. Cowan is an authority on refrigeration engineering. Born near Edinburgh he studied engineering in Scotland and is still a member of the Professional Association of Engineers. Coming to Canada in 1923 he located in Toronto where he lived until his recent move to Winnipeg. His first job was installing oil burners, at the time a comparatively new project. A few months after he started as refrigeration engineer with an eastern packing house which subsequently became one of the units in Canada Packers Limited.

Mr. Cowan continued with the new company and promotions followed in due course. He became chief engineer of the storage division of Canada Packers in 1934 and since 1939 was manager of storage division of the business, and concurrently manager of two other Toronto companies, both subsidiaries of Canada Packers.

Like other industries the warehousing industry in war years battled the problem of materials and labor shortages. It likewise was one of the first to be subjected to government controls and one of the last to come out. Its staffs were plunged into a mountain of work but gradually it has been able to take a good deal off the mountain. Generally it is conceded that it did a good job.

In addition to its regular officers each province of Canada has its own director on the Association. Mr. Cowan was national chairman of the cold storage division for two years and was treasurer of the Association for the succeeding two years.

• • •

President of Underwriters

Short, stocky, clean-shaven, with a good-natured Irish twinkle in his eye Robert H. (Bert) Leckey has been elected president of the Canadian Underwriters' Association which includes in its membership about 180 fire and casualty insurance companies in Ontario and Quebec.

Born in Toronto, 58 years ago, he has been in the insurance business ever since he left school except for a spell with the Canadian Expeditionary Force in Russia in World War I.

His first job was with the British America-Western Group. As a young man he moved about, however, serving with other companies, gaining experience all the time.

For some years he was on the CUA (then CFUA) staff where he became an inspector in the manufacturing department, and then for a time was associated with an agency in Toronto. In 1921 he joined the Aetna insurance group, went to the Hartford in 1933, but in 1936 returned to the Aetna where he is now manager for Canada.

Leckey has always been active in insurance association work. He has been chairman of the Canadian Inland Underwriters' Association, vice-president and chairman of the fire branch of the CUA and is a past Most Loyal Gander of the Ontario Pond of the Order of the Blue Goose.

He is married, his wife being formerly Grace Griffiths of Toronto. They have two children, a son in third year medicine at the University of Toronto and a daughter training at Toronto General Hospital.

He finds the insurance business so interesting that he regards his job as a hobby more than work. When he finds time, however, he enjoys a bit of fishing, and is very fond of gardening.

• • •

Empire Club President

As president for its 1949-50 season, the Empire Club of Canada, Toronto, has chosen a quiet Englishman with a keen, dry sense of humor. He is Herbert Gladstone Colebrook, general merchandise manager and a director of Simpsons Ltd.

Born in 1880 in Guildford, Surrey, England, "Bert" Colebrook was educated at King Edward Grammar School, Guildford, and Bishop Stortford College, Bishop Stortford.

Blank & Stoller photo.
MR. COLEBROOK

On leaving school in 1896 he became apprenticed to an English firm selling fine home furnishings. His whole business career has been in the merchandising business. In 1906 he went to New York to work with W. & J. Sloane. In 1911 the late Mr. Fudger invited him to come to Canada to work with Robert Simpson Co. with whom he has been ever since.

He remained in Toronto until 1924 when Simpsons sent him to London, England, to assume charge of its European offices. This job took him back and forth across Europe, searching for new suppliers and new merchandise as well as making certain that established sources of supply remained available. At the peak of the era of European purchasing, Simpsons sent as many as 40 buyers across the Atlantic annually. It was Mr. Colebrook's job to direct these men where to go, perhaps accompany them, if they were new to the task, and then supervise delivery and payment for all goods bought.

In 1931 Colebrook returned to Toronto as general merchandise manager for all branches of the Simpson business, a position generally considered in the company as second only to that of the president. He was elected a director of the company in March, 1932.

In 1940 the then deputy air minister, J. S. Duncan, borrowed Mr. Colebrook from Simpson's and appointed him liaison officer between the RCAF and the Dept. of Munitions and Supply. He returned to Simpsons in 1943.

Mr. Colebrook was married in 1906 but his wife died in 1913. He married again in 1915. He has one son, Herbert Gordon Colebrook who is with the Robert Simpson Co. in Montreal as a textile buyer. He has two grandchildren.

What Others Are Saying

Editorial of the Week

On Suing the Government

Edmonton Journal

The obsolete laws which restrict the right of a citizen to bring action against the Government were carried to their logical extreme in a case in Calgary. The Alberta Supreme Court has ruled that since the Central Mortgage and Housing Corporation is "an agent of the Crown," it can only be sued by the complicated "petition of right" procedure, and in the Exchequer Court.

The ancient restrictions on actions against the Crown were never sensible or equitable, but in former times, when governments confined themselves within a narrow range of functions, they affected comparatively few people. But now, with the state operating all manner of commercial enterprises, these obsolete rules may injure anybody at any time.

The Central Mortgage and Housing Corporation, for example, has become the largest mortgagee of house property in the Dominion. If a dispute arises between it and any of its thousands of "clients," why should the aggrieved party not be able to take his case to the regular local courts, just as he would with an ordinary mortgage company?

Parliament many years ago took a step in the right direction by making the Canadian National Railways subject to suit in the ordinary courts and by ordinary procedure. It is time for a similar reform by the Dominion and the other provinces.

Other People's Views

WE'RE RIGHT BACK where we started, remarks the **Calgary Herald**. "The parlor pacifists are at it again. The Calgary School Board has been asked by two of its Labor trustees to abolish cadet corps in city schools. And if you have an odd feeling that you have heard all this before, you are quite right."

ALL HOLIDAYS except Christmas, New Years and religious anniversaries should fall on a Monday asserts the **Vancouver Province**. "There has been talk at Ottawa of doing something to remedy this unsatisfactory public holiday situation but nobody has actually gotten around to tackling it. It isn't a big job and Parliament should see that it is done at the next session."

BOTH OLD AND NEW is the claim of Newfoundland. Says the **St. John's News** "The claims of Cape Breton to the contrary notwithstanding, there is sound historical fact for the local conviction that John Cabot sighted the coast of Newfoundland on June 24, 1497. But despite the antiquity of our discovery, this remains in many important respects a new land. Halifax, which was founded centuries after St. John's had become a well known and much visited port."

THE RADIO END of the election campaign was an appalling performance in the opinion of the **Farm and Ranch Review**. "On the radio everything depends on the voice, on its tone and its timbre, on changes in timing to keep the listeners' attention from wandering. Broadcasting is a trade, just as difficult to master as farming or carpentering or brick-laying. Yet with every election campaign the candidates throw their friends onto the air to speak for them and succeed only in throwing their money away."

NOTHING IS GAINED by violence points out the **Halifax Chronicle Herald** apropos of the Asbestos strike settlement. "There is a lesson to be learned from this Quebec situation, as there has been in all other struggles of the same kind which went the same way. Nova Scotia has had experience of the same sort in the coal and steel industries and, recently, in the case of the seamen. Other provinces had had to go through the same thing in the textile, steel, shipping and some other undertakings. At no time has anything been gained by violence. The last and the most important phase of the struggle always has been waged about the conference table."

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Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia), $5; Australia, U.S.A., Mexico, Central and South America, France, Spain, $6; other countries, $7.

Advertising Rates: Single insertion, $4.90 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

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Publishing Company Limited
481 University Avenue, Toronto 2

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OTHER SERVICES: Canadian Press Clipping Service, Commercial Printing Division.

Other MACLEAN-HUNTER offices:

MONTREAL Centre 2: Dominion Square Bldg., Marquette 2331.
NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7888.
CHICAGO 6: 309 West Jackson Blvd., Harrison 7-7890.
LONDON: Maclean-Hunter, Limited, Sun Life of Canada Bldg., Trafalgar Square, London S.W.1. Cable Atabek. Whitehall 6642-3.

July 16, 1949

Why the Poor Showing of Conservative Party?

The Question: To what main factors do you attribute the decline in Conservative party strength in the election?

This week, The Post's question was addressed exclusively to a group of Canada's newspapermen.

General contentment with prosperous conditions is the reason which they gave most often to explain the Conservative Party's defeat at the recent election.

Among other reasons: resentment in English-speaking provinces at the tie-up with M. Duplessis, lack of an adequate and distinctive platform, and failure to arouse public interest in many of the questions raised by party speakers.

P. M. ABEL, Country Guide, Winnipeg.

Speaking for the West only, the Tory defeat was due to a long period of acceptable Liberal administration and the lack of a comprehensive and integrated policy and complete distrust of Drew - McCullagh - Duplessis - Houde leadership. This lack of policy was due to failure to develop an underlying philosophy. The PC platform was built of borrowed and ill-matched planks, too much opportunism and not a little cynicism.

Rightly or wrongly, the idea persists in the West that the Conservative party is associated with piratical business. Drew's course on Dominion-Provincial relations was a considerable factor in defeat. It is doubtful if a switch, such as one would expect to follow hard times, would be to the Conservative party.

* * *

SENATOR CHARLES L. BISHOP, Ottawa.

Of utmost importance I think was the popular wish for stable government free from log rolling and compromise and the evident belief that the Liberals were best able to supply it. In making sure of this, the Liberal vote was swollen very greatly while the Conservative and CCF vote were weakened correspondingly. Apart from that, it is obvious that the Conservatives suffered greatly from a strategy which misfired in Quebec and backfired everywhere else.

* * *

CHESTER BLOOM, Ottawa Correspondent, Winnipeg Free Press.

The Conservative party decline began in 1935 when Rt. Hon. R. B. Bennett ran on a semi-new deal program. The party has become opportunist. Their convention last fall threw aside principles and tried to out-bid the Liberal government by promising larger "welfare state" handouts of pensions, family allowances, income tax exemptions, etc. These promises conflicted with numerous attitudes of PC members at various times in the House; the people did not believe the promises. Second, Ontario Conservatives would not swallow the coalition with Quebec wartime anti-British isolationists. Third, Canadians everywhere resented the vicious personal attacks on Mr. St. Laurent in Quebec.

* * *

J. R. BURNETT, Editor and Managing Director, Guardian, Charlottetown.

The main factors were:

1. The small difference in the platform presented failed to arouse the party spirit.

2. The Liberal party had already given ample proof of generosity to the average voter, while the Conservatives exposed two contradictory policies, reduction of taxation and increased handouts.

3. The use of radio recordings instead of viva voce speeches on a platform, where electors could ask questions and judge qualifications of candidates.

4. The general prosperity of the country, and

5. The anti-socialism propaganda which played more into the hands of the Liberals than the Conservatives.

* * *

C. W. CLARK, Editor, Daily Gleaner, Fredericton, N.B.

Conservative strength declined because in several provinces the party was in opposition. Social services largely were accepted as a Liberal accomplishment. Approach to Quebec, with opposite claimed in other provinces, offended electorate. Drew's methods of leadership wore out rapidly and left resentment instead.

* * *

GUY S. CUNLIFFE, Associate Editor, Gazette, Montreal.

On the basis of the number of votes cast for the party and the percentage of the total vote gained, Progressive Conservative strength did not decline but slightly increased. However, the Liberal sweep in Quebec and much of Ontario gave the Government a House standing about 25% greater than its ratio of the popular vote, which was not quite half. This cut PC parliamentary strength to barely half of the party's popular vote percentage. Basic reason for the net election result would seem to be that most voters are not yet sufficiently dissatisfied with government performance and were left uncertain as to PC future program on broad, simple issues.

* * *

W. L. CLARK, Editor, The Star, Windsor.

The Conservative party in Canada is operated by a few persons who claim the privilege by Divine Right. They have been successful financially but their attitude toward the people is based on Middle Ages thinking. John Bracken tried to swim against the stream and could not get far. When he accepted the leadership he did not realize what he was stepping into. George Drew took over the Conservative post, fitted himself into the hierarchy and look what they did to him.

* * *

J. S. CURRIE, Editor, Daily News, St. John's, Nfld.

In Newfoundland, family allowances constituted the deciding factor, winning a vast majority of women voters who polled in large numbers.

* * *

ARTHUR L. DAVIES, General Manager, the Kingston Whig Standard.

The Progressive Conservative party actually gained 125,000 votes in the recent election, compared with the 1945 election, although this is not reflected in seats won in the House of Commons. I attribute the decline in Conservative seats won to a switch of many votes from third party and independent candidates to Liberal candidates. Third party and independent candidates dropped 700,000 votes in the recent election compared with the result in 1945. About 600,000 of these votes went to the Liberals, mainly attracted by their social security legislation, and the switch distributed over many ridings, was sufficient to ensure Liberal victories.

Actually, therefore, the refusal of voters to cast "protest" votes for third party or independent candidates, who had no possible chance of election, resulted in the great Liberal sweep and the seeming, rather than actual, decline of Progressive Conservative strength.

* * *

L. F. EARL, The Tribune, Winnipeg.

Voters of Canada saw no reason to slap Santa Claus in the face. Family allowances, old age pension increases, prospects of tax cuts, cheques to farmers for back payments on grain crops, remittance of which was timed to produce the maximum political effect and did it, created a situation the voters saw no reason to disturb. As for uncertainties of the future, they preferred to trust the Liberal party. Mr. Drew stressed rapid loss of overseas markets. Mr. Coldwell did the same. The Liberals at first claimed there need be no worry about loss of trade although later in the campaign they modified these statements. Many no doubt believed Mr. Drew and Mr. Coldwell were right in their claims of disturbing signs of a depression. They didn't believe a Socialist party was the agency to pull them out, if it came. Neither did they trust the Conservative party to do it. They listened to the claims of Liberal candidates that a Liberal government had pulled the nation out of the depression of the thirties, guided it through a world war, and continued to govern it in a period of postwar prosperity. Irrespective of what be ahead, this was the party they elected to support. This was the main reason for the landslide of June 27 even though there were many other local reasons which influenced the vote in favor of the Liberals in different sections of the country.

* * *

R. A. GILES, The Watchman Lachute, Que.

The fact that times are still good, that everyone seems to have sufficient wherewithal to spend freely, would lead one to conclude that the Liberal government had done a good job throughout years of great difficulty and the public, despite the opposition's charges of maladministration, were satisfied. From past experience a Liberal victory was anticipated in Quebec, and Hon. George Drew's actions and campaign there apparently did not please the rest of Canada, nor did his work elsewhere appeal to the province of Quebec. Considering the unexpected turn of events in last year's United States election, it is not to be wondered at that the same clean sweep did happen in Canada, with good men heading both old parties.

* * *

A. S. HANNA, Editor, Gazette, Almonte, Ont.

The election followed the pattern of United States: times good; not much unemployment yet; more and more people on government largesse-pensions allowances; bolstered farm products prices—New Brunswick potatoes, butter, skim milk powder, etc., all across Canada. Drew's TCA and Canadair talk was wasted. Few Canadians are airminded and all got used to thinking in billions during the war, so what's a few millions re Canadair. Drew's provincial rights championship hurt in Maritimes and the West. In Ontario local issues prevailed: temperance, labor antagonism, Duplessis hookup. People seemed unable to divest themselves of the provincial outlook and vote the broad federal ticket.

* * *

R. B. HERDER, President, Telegram, St. John's, Nfld.

As a new Canadian, I do not feel competent to judge the overall decline of the Conservative party strength in the Dominion, but I would say Drew's alignment with Duplessis killed his chances in Ontario. People judged the Liberals by their wartime accomplishments and were prepared to leave postwar problems in competent hands. Regarding results in Newfoundland, I would say the Liberals were always the popular party. Also, the Confederate organization has been working the past couple of years and the fact that Conservative candidates were regarded as opposing family allowances and other social legislation had some bearing. The Prime Minister's visit here helped the Liberal cause as even the bitterest opponents were won over by his speeches and personality.

* * *

A. L. HORTON, The Observer, Vegreville, Alta.

The Conservative party did not lose many members in the Prairie provinces. They didn't have many to start with. The election campaign was extremely dull and not even the brief visits of Mr. St. Laurent and Mr. Drew aroused enthusiasm. Generally speaking, the Prairie farmers were satisfied with things as they exist and they voted that way. The Prime Minister left a better impression all round than Mr. Drew. Also, Mr. Drew's attitude on the Dominion-Provincial conferences was strongly resented. It is possible that the reported Duplessis-Drew alliance did the Conservatives a lot of harm in the East, but nobody bothered about it in the West. It is not fair to blame Mr. Drew for the debacle, but he talked far too much and left himself wide open to effective retort.

* * *

GEORGE W. JAMES, Editor, Canadian Statesman, Bowmanville, Ont.

There was no decline in Conservative party strength in the votes cast in the recent election. There was an increase. In fact, the Conservative party is the only national party to show increased voting strength in every election since 1940. Liberal votes fell off in 1945 and CCF votes fell off in 1949. The Conservatives steadily counted more votes straight through. Decline in strength as to numbers in the House in 1949 was due to Liberal gains through alleged union-CCF votes thrown definitely to St. Laurent's bid to promote socialism in second gear. The folding money in every pocket, even if deflated, was also a big factor at the polls, as in all elections. Many blame Drew for being too belligerent, but the fact remains that he gained party strength by attracting 173,000 new votes in the election.

* * *

J. C. KEATING, President, Moncton Times Transcript.

The continuation of good times in Canada coupled with the large reduction in income taxes proved too strong an appeal to voters to switch from the government in power to an opposition which did not stress in their appeal any policies which seemed to warrant change of leadership at this time. If good times continue, with still further reductions in taxes from year to year, and more economies in government operation, it will prove difficult for Conservatives to defeat the present government.

* * *

R. P. McLEAN, Editor, Courier, Kelowna, B.C.

As I see it, Conservative support declined for the following reasons:

1. Personal failure of Drew to win confidence of voters. His previous antagonism to the West was not forgotten while his phony issues failed to impress.

2. Public wondered who would form cabinet if Drew elected. He ran a one man show whereas Liberals had pretty good team play and capitalized on it.

3. Drew failed to attack government on real issue and lost ground on phony issues.

4. Failure of Conservative party to be conservative party. It had no real platform and just tried to outdo the Liberals. No constructive criticisms or suggestions.

5. The Duplessis alliance antagonized many voters in Ontario and the West.

6. The war and postwar record of the Government inspired confidence. Why change a good thing for a very doubtful one?

7. While Drew personally failed to impress, St. Laurent did, winning thousands of votes for Liberal candidates.

8. Voters realized Drew could not win and many voted Liberal to avoid a stalemate in the House.

9. Former CCF vote, lost because of Communist scare, went to Liberals. In my opinion, until the Conservative party gets down to brass-tacks and becomes a conservative party, it will continue to wander in the wilderness. Middle of the road voters will vote for Liberals rather than a warmed-over Liberal platform advocated for the past ten years by Conservatives.

* * *

RODERICK M. RAYMOND, Publisher, The Tribune, Campbellton, N.B.

The Conservatives lost the election due to a combination of circumstances over which they had no control and because in a number of cases they failed to make the most of issues which people felt were important. The social welfare program being carried on by the present government had a very large bearing on the outcome of the election, especially in the clean sweep won by the Liberals. The poorer people and those less educated feared they would risk losing many of the present welfare benefits if the Liberals were defeated. No amount of assurances to the contrary could remove some lingering doubt in this regard. Also, with times generally good, the attitude of the people was: "We're doing all right, why change?"

The Prime Minister, Mr. St. Laurent, demonstrated a keen feeling for the proper touch in meeting with everyday little people. In Campbellton, where Mr. St. Laurent stopped only a moment, we had the impression that here was a friendly man, one who had the welfare of his people at heart; a "grand seigneur," a man of keen intellect and integrity. In Mr. Drew, who spent an entire night with us, we saw a man of great ability, a driving force which would be impatient with falterings; an attitude which said quite clearly: "I know how to do this best of all, leave it to me." We in Canada like to take part in our government, not simply be governed. But most of all, it was "the times," which plowed the Conservatives under to complete defeat. The trend to the mid-left in Canada is still strong.

* * *

SYDNEY SMITH, Editor, Huntingdon Gleaner.

First, I do not believe that the people as a whole approved of Mr. Drew's dictatorial attitude and were afraid that it might be more pronounced if his party should be elected. Labor has come to the fore in recent years and the Conservative party did not appeal to labor. No one approved of Mr. Drew linking up with Mr. Duplessis of Quebec and very few approved of his bringing up old sores to help win favor. In other words, the Conservatives had a too aggressive platform for their campaign.

* * *

CHARLES L. SHAW, Vancouver newspaperman.

Preoccupation with issues that did not concern or even interest the mass of Canadian voters wrecked Drew's chances. With the country generally satisfied with the government record and in the mood to stay with middle-of-the road policies, I doubt whether anyone could have beaten the Liberals this time. Conservatives must somehow rid themselves of the widely held belief that they represent forces of reaction. Get rid of timeworn candidates and seek a constructive program not likely to be interpreted as merely a faint carbon copy of the Liberals.

* * *

HARRIS L. WALSH, Editor, The Standard, St. Catharines, Ont.

The basic reason for the overwhelming return of the Liberal Government was unquestionably the prosperous condition of the people. This was supplemented by prolific spending, return of millions of compulsory savings,

(Continued on page 8)

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How Can Food Store Get More Customers?

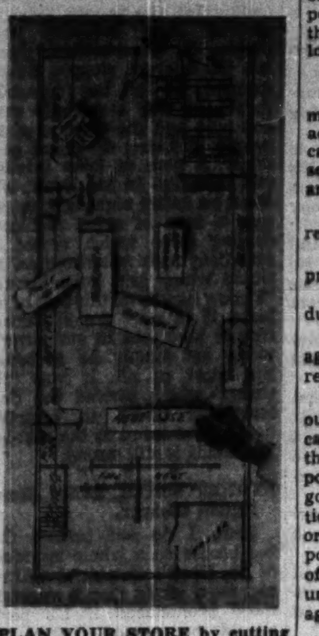
Route Shoppers For Benefit Of Big 'Impulse' Buying

What makes the Canadian housewife buy "on impulse"? Why does she favor one type of store more than another? And, important to every food retailer, how can he get and keep his share of this big business?

Here are some useful practical ideas from "Modern Food Merchandising," a pamphlet soon to be issued by Canadian Industries Ltd.

In planning a traffic pattern for a modern food store, the merchant is wise to classify the stock in either of two categories — "demand" or "impulse." Since "demand" merchandise is probably already in the shopper's mind when she enters the store, it is often placed towards the rear and on the return trip through the store. "Impulse" commodities, the extra-profit items, should get preferred positions towards the front and on the first part of the shopper's trip when her basket is empty and her mind open to suggestions.

Here is the "meat" of good store planning, condensed from the experience of hundreds of progressive food merchants:



PLAN YOUR STORE by cutting out cardboard units to scale, moving them around on the floor plan to make best use of your space.

In-and-out doors if feasible. . . Arrangements for self-service . . . low fixtures, shelving not to exceed 67 inches, displays 50 inches . . . based not lower than 10 to 15 inches . . . Baskets available at the start of the shopping route . . . straight well-defined aisles . . . Space given to departments on the basis of volume and profit potential . . . Elimination of non-selling equipment from the sales floor . . . perishable departments located for consumer shopping preference . . . Staples at the back or on the return route . . . Profitable lines on islands . . . associated items together . . . Profitable brands in eye-level position . . . All fixtures following some general basic pattern for harmony . . . All merchandise on store's fixtures . . . All merchandise priced . . . All possible merchandise prepackaged for easy selection.

Under average circumstances, food merchants find that merchandise on island displays outsells wall shelving displays. All display units should be so designed that the shopper is not conscious of their existence. Neutral color, preferably white, will not detract from the colorful merchandise they hold. Departments should be clearly identified by adequate signs so that customers can shop quickly and are able to save time in making their planned purchases.

Storefronts play their full part in bringing in new shoppers, if they are modern and attractive. Some food merchants have designed their stores so that shoppers have a full view of the store interior when passing the store. They believe that window displays should not bar this view.

People are instinctively attracted to bright, clean-looking food stores, and, once shoppers are inside, shopping eyes can be subtly, but effectively, directed, not only to the staple items which prompted the visit, but also to impulse food items displayed in a tempting fashion by skilful lighting.

The amount of check-out service required can generally be computed on the basis of one check-out for the first $100,000 yearly volume; two for $100,000 to $200,000, etc.

Just as the check-out system should be geared to handle customers satisfactorily during the peak periods, so visible packaging and self-service in the grocery, produce, and meat departments will make possible the handling of the maximum number of shoppers during the busiest hours of the store day with no delays or long waits to be served.

Favor Self-Service

Nine out of 10 merchants remodeling their stores today are adopting self-service on the strict cash and carry basis, or self-service with controlled delivery and credit.

A study in the United States revealed the following:

— 72% of those interviewed preferred prepackaged over bulk.

— 73% said prepackaged produce stays fresh longer.

— 86% used the original package as a home hydrator until ready for use.

Prepackaging should be carried out in such a way that shoppers can quickly determine the cost of the item and its net weight. Best policy is to prepackage staple goods only in the popular quantities. Larger buyers will take two or more units. This avoids the possibility of slowing movements of prepackaged merchandise if units are too large for the average family's requirements.

Baked goods — a profitable and fast-turning line — should be displayed on their own shelving or special island on the return trip of the shopper. Baked goods are easily crushed, and shoppers would tend to pass them by as being bulky and awkward to handle if the display unit were located near the entrance to the store.

Some food merchants have introduced prepackaging of fresh meats and fish to avoid "bottlenecks" during the peak periods when personal service is not required. Merchants are advised to study the possibilities of cooked meats as a prepackaging proposition at first.

Since the biscuit department returns the food merchants a 20% margin of profit, it is deserving of good treatment and display. In contrast to "demand" items of the dairy department, milk and butter, cheese is an "impulse" item. Prepackaging in a dozen or more different cuts tempts shoppers to buy.

Bulk candies are packaged to a popular price, rather than a weight, by some merchants, using such prices as 10c, 19c, 23c, or 29c. With shelled nuts of the costlier varieties, merchants usually package them in fraction-of-a-pound units so as to keep low unit cost.

How to Avoid Waste

For the merchants' struggle to fight waste, the book offers these tips:

1. Set definite tasks for all members of your staff. This will fasten responsibility for tasks left undone, for sloppy and slipshod work. Most wasted staff is the result of lack of instruction to new members by the merchant. Specific tasks during slack periods will clear decks for peak hours.

2. Start a spoilage chart for your produce department. Have the clerk responsible for the operation of this department keep an accurate record of the losses through markdowns, spoilage, and other factors that drain profits.

3. Are you utilizing your floor space to best advantage? Could the rear partition be moved back and more space given to selling displays. Wasted space in the backroom is a threat to the store's profit potential.

4. Careless handling of merchandise in the food store often means loss of profits. Dented tins, torn labels, and soiled packages mean unsaleable merchandise. Proper stock rotation will ensure old stock moving out before incoming stock.

5. Many food merchants realize sizeable profits during the year through salvaging materials such as cartons, waste papers, tinfoil, and bottles.

6. Habits of economy fight waste. Lights should be turned off in basement and backrooms when not in use. Careful check can be kept on the use of paper bags and wrapping materials. Often smaller size bags can be used.

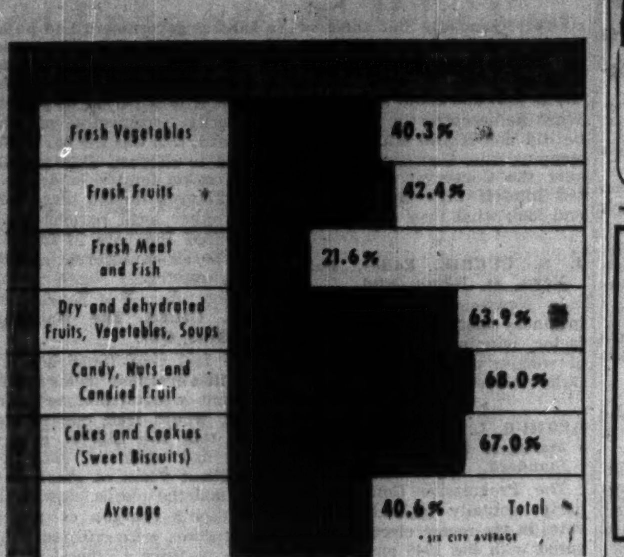
7. Food merchants find it good business to have adequate fire insurance coverage of the stock, equipment, and building. Prevention practices should be instituted.

8. Installation of modern equipment and store fixtures often increases the efficiency of the food store's operation and helps to keep operation costs at a minimum.

9. If every piece of merchandise in the store had to pay rent for the space it occupied, then the shelf-warmers would be expensive tenants. Check the slow-moving items, they are eating into your hard-earned profits.

10. Out of sight, out of mind — this is true for those bulk cereals which are hidden in barrels and bins in some stores. These same cereals, with visible packaging and display, will sell on sight.

11. Time spent in training sales clerks is a good investment for the food merchant. A survey of 1,500 stores showed that indifference on the part of sales people was responsible for 63% of customers discontinuing patronage.



Why Decline in Strength Of Conservative Party?

(Continued from page 7)

at the right time, and relaxation in personal income taxation. Entrenched in power for so long the government logically had the support of an army of civil servants and their families, also the advantage of patronage from Crown companies, the public-owned railway system and the CBC.

Another powerful factor was the personality and racial background of the Prime Minister, felt in at least four provinces in a decisive way. In addition, the record of the government in rehabilitation of the armed forces was splendid.

The party of discontent, the CCF, did not have much to work on and lost accordingly.

* * *

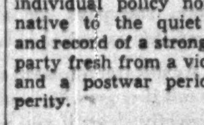
MAURICE WESTERN, Leader-Post, Regina, Sask.

Chief reason was probably failure of the PC party to create a major issue. The appeal seemed exclusively to Central Canada. The stress on Dominion-Provincial relations placed it on defensive. On the Prairies the tendency to raise sensational charges merely emphasized the absence of basic agricultural appeal. Shift away from CCF aided Liberals since the PC's are still identified in the public mind with Bennett policies of big business, class privilege, etc. Drew's personality, the reliance on Toronto strategists, Duplessis tieup, completed the picture. Some CCFers probably voted Liberal to beat Drew. PC's had little beyond academic-sounding arguments to counter Liberal advantage of prosperous times.

* * *

O. F. YOUNG, Editor, News Chronicle, Port Arthur, Ont.

In Ontario where the party suffered its most severe blow it was largely a case of the mistakes of the provincial government, principally the Charitable Gifts Act, being visited unto the fathers of the preceding generation. The newspaper situation in the Ontario metropolis and the kind of sponsorship it provided for leader Drew was also a factor throughout the country. It seemed that Mr. Drew, who started with a reputation for color and aggressiveness, overplayed the role. The public is sensitive to such things. The people were not prepared to accept criticism as a subsitiute for more definite individual policy nor an alternative to the quiet assurances and record of a strong and united party fresh from a victorious war and a postwar period of prosperity.



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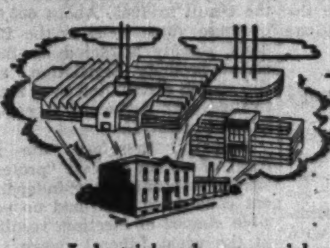

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Including Domestic and Foreign Branches But Not Including The Affiliated City Bank Farmers Trust Company
(IN DOLLARS ONLY—CENTS OMITTED)

ASSETS		
Cash, Gold and Due from Banks		$1,411,285,601
United States Government Obligations (Direct or Fully Guaranteed)		1,721,538,249
Obligations of Other Federal Agencies		22,202,830
State and Municipal Securities		259,724,400
Other Securities		100,953,439
Loans and Discounts		1,367,519,727
Real Estate Loans and Securities		2,357,688
Customers' Liability for Acceptances		15,988,075
Stock in Federal Reserve Bank		7,500,000
Ownership of International Banking Corporation		7,000,000
Bank Premises		27,283,992
Other Assets		2,018,473
Total		$4,945,372,474
LIABILITIES		
Deposits		$4,579,501,332
Liability on Acceptances and Bills	$26,005,891	
Less: Own Acceptances in Portfolio	9,499,403	16,506,488
Items in Transit with Branches		19,307,844
Reserves for:		
Unearned Discount and Other Unearned Income		6,301,862
Interest, Taxes, Other Accrued Expenses, etc.		24,536,325
Dividend		4,650,000
Capital	$124,000,000	
Surplus	126,000,000	
Undivided Profits	44,568,623	294,568,623
Total		$4,945,372,474

Figures of Foreign Branches are as of June 25, 1949.

$298,658,761 of United States Government Obligations and $14,568,443 of other assets are deposited to secure $210,822,686 of Public and Trust Deposits and for other purposes required or permitted by law.

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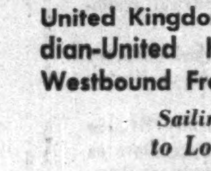

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ABOUT YOUR TAXES By STUART THOM, LL.B.

Sugar Futures Profits Ruled Taxable Income

Supreme Court Holds Speculative Transactions of Atlantic Sugar Refineries in 1939 of Same Nature as Ordinary Operations

The Supreme Court of Canada in a recent judgment has dismissed the appeal of Atlantic Sugar Refineries Ltd. from the decision of Mr. Justice Thorson of the Exchequer Court, (The Financial Post, Nov. 13, 1948).

The Exchequer Court judgment had held that company profits from short sales transactions in the raw sugar market in the fall of 1939 were taxable income. The business of the company was that of buying raw sugar, refining it and selling refined product. It was not its custom to hedge its purchases by transactions in the futures market. On this occasion, the abnormal situation caused by the outbreak of war, the greatly increased purchases of sugar by the public and impending government control led the management to undertake the speculative transactions in question.

Mr. Justice Thorson in effect held that the company's actions in this regard were of the same character and nature, as trading and business operations, as those of its business in its ordinary course. In the Supreme Court, substantially the same position was taken by the majority of the Court in the judgment written by Mr. Justice Kerwin. Mr. Justice Locke wrote a separate judgment in which he drew an analogy to the well-known practice of hedging and agreed to dismissing the appeal.

The judgments of the Supreme Court develop no new principles of law and the case is an authority only for other cases with the same or very similar facts. The judgments are noteworthy, however, as emphasizing the importance of cases decided in English Courts under the English income tax acts, notwithstanding variations in phrasing and structure from the Canadian act.

Importer or Manufacturer? Jewelers Seek Definition

When is a manufacturer not a manufacturer? Or, when does an importer who takes imported parts and places them into a casing become a manufacturer?

The Supreme Court of Ontario is going to be asked to answer that one in a suit which a group of Canadian jewelers is bringing against the Attorney-General of Canada.

The suit claims that Ottawa had not the authority to replace the old 25% retail tax on jewelry items with 10% excise tax at import and/or manufacturing level. Main contention is that an importer who brings in watch movements and places them in a Canadian-made watch case is not a manufacturer in the legal sense.

Ottawa has insisted that they are, that they remain importers only when they import the complete, finished watch.

The result, the jewelers claim, is complete confusion to the industry and a pyramiding of taxes that all but wipes out the benefit to the consumer of the abolition of the 25% retail purchase tax.

Also, that a watch in Canadian case, with Canadian attachments and boxes is placed at a competitive disadvantage with a complete watch wholly made outside Canada, thus causing a discrimination against Canadian industry and labor.

What happens under existing regulations is this:

The importer must take out a manufacturers' license to get his parts out of Customs. He pays no excise tax at import level; instead pays tax based on the cost of the finished product (or "at manufacture"). This amounts to a larger sum than if he had paid tax at import on each component of the whole article, since cost of labor in assembling has then entered the picture.

The same situation is said to apply in the case of retailers who buy loose stones and separate mounts to combine into items of jewelry such as rings, brooches, pendants, etc.

The Ottawa view is that the jewelry people are being treated in no different way than any other business performing a similar operation; that to treat them as other than manufacturers would invite accusations of discrimination from other businesses.

It is, however, admitted by Ottawa to be a matter for court ruling, that the court might easily decide against Ottawa, that the jewelers' might be a borderline case.

It's also claimed by the jewelers that the new method of tax collection is doing "very substantial damage" to the tourist trade.

The contention is that when the 25% tax at point of sale was effective there was an arrangement whereby goods could be shipped to an American tourist free of this tax, but like the 8% sales tax which was never remitted, the 10% excise tax comes in before the retailer gets the goods and is part of his cost.

Alta. to Allow Export of Gas, But When?

From Our Own Correspondent

EDMONTON — While the Alberta Legislature has passed a bill to allow the export of natural gas there's no indication yet when export will be allowed to start.

The Bill, passed at a special four-day session, is hedged around with rigid regulations which give the Alberta Government power to restrict as well as to allow export and to control it through the Alberta Petroleum and Natural Gas Conservation Board and Cabinet.

Premier Manning said Alberta consumers must be served first and no export would be permitted for a "substantial time."

Commented A. Faison Dixon of New York, president of Northwest Natural Gas Co., would-be exporter to Vancouver and Pacific Northwest:

"The way has been left open for export of natural gas under fairly close restrictions. We are well satisfied. Though we didn't get nearly what we sought, we think it sufficient that the Alberta Conservation Board can grant an export permit so a line could be financed."

S. F. Heard, Calgary, vice-president Western Canada Petroleum Association and president of Royalite Oil Co., said:

"I take it that export of natural gas is inevitable sometime. I don't know when. Nobody else probably does either. That is the big question—when we will have gas export and in what direction. The Government has given assurances that the consumers and gas utilities industry in Alberta will be protected and it has provided the Conservation Board with broad powers to control gas export. It appears that the industry will be adequately protected."

The Conservation Board is empowered to grant or refuse permit for export after due hearing and study of facts, to regulate quantities for export, areas to be drawn upon, way in which permitted quantities may be purchased — and from whom. It also has the power, with executive council approval, to divert gas under export to Alberta use when deemed necessary in the interest of Alberta consumers.

BOOKS FOR BUSINESSMEN

MAINTAINING COMPETITION: Requisites of a Government Policy, by Corwin D. Edwards. Published by McGraw-Hill Co. of Toronto, Canada. 337 pages. Price, $4.50.

The purpose of this book, states the author, is similar in aim but opposite in direction to "A Constitution for the Socialist Commonwealth of Great Britain," published a quarter century ago by Beatrice and Sidney Webb.

The Webbs endeavored to provide an organizational blueprint and a policy statement as to what would be involved in establishing socialism in Britain.

Edwards says his purpose is to set forth the content of a policy designed to maintain the competitive system within the United States. He has striven to envisage the content of the competitive policy and the difficulties involved in achieving competition, not as logical abstractions, but as "aspects of our own particular economic and cultural complex."

The author analyzes the existing U. S. policy and administration, and offers a practical program of reform, based on economic analysis. He discusses how the competitive parts of the economy are related to the regulated parts, and how public planning and public regulation can be kept from weakening the competitive policy. His viewpoint and proposals will interest all serious students of practical economics in Canada.

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Lowly Shoe Laces and Braids Add Up to 100,000 Miles Year

Domestic demand for the lowly shoe lace and associated braid products is keeping six Canadian firms operating at high level.

Combined annual production of shoe laces, corset laces, lingerie and elastic braids and venetian blind tapes and cords approximates 1.2 million gross yards a year—or about 100,000 miles of braid, almost 30% more than in 1939.

But this increasingly important branch of the textile industry is pretty much at the mercy of Dame Fashion. One of the most adverse moves has been the trend for some years in women's shoes to pumps and other types that do not require laces. Men's buckled shoes have made their appearance.

Although the war taxed plant capacities, it also was indirectly responsible for another adverse trend. When elastic braid became very scarce, garment manufacturers designed their products for as little of this product as possible. But now that elastic is back in good supply, manufacturers have not returned to proportionate use of elastic as prewar.

On the other hand, venetian blind tapes and cords is a new market produced by war conditions. Prewar, practically all of these products came from England and when imports were cut off the domestic industry filled the gap. But England is making a strong bid now for return of this market. The fact that England makes venetian braid almost solely for export and the product enters this country duty free is appearing to weight the competitive tussle in England's favor.

When you ask lace makers about outside competition, they whisper "Japan" and cross their fingers. Prewar, Japanese shoe laces were entering this country, freight and duty paid, at less money per pound than the cost to Canadian industry of necessary raw materials. So far Japan has not seriously re-entered the trade picture. But domestic lace producers are in a stronger competitive position now than prewar as far as plant and equipment are concerned. Most plants are now equipped with full automatic shoe lace plastic tipping machines which measure, tip, cut and count the laces in one operation. Each machine can turn out about 250 gross laces a day as against 160 gross on old-type tipper.

A great deal of hand labor is still required, however, for putting laces in pairs for the retail trade. The best operators can pair about 40 gross laces a day on a hand-operated machine. No automatic pairing machine is yet available.

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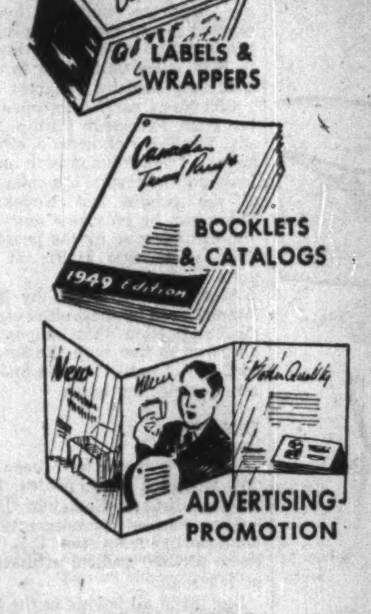

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LABOR ROUNDUP

BY RONALD WILLIAMS

CCL Almost Rid of Important Reds; Big Steel Strike Looming in U. S.

By suspension, expulsion or bolting, the Canadian Congress of Labor was pretty well rid of its most troublesome Communists by this week.

The former Red bosses of the British Columbia section of the CIO Woodworkers were the first to go. They slammed the door on themselves when they unsuccessfully tried to bolt the IWA and take the union's $180,000 funds and 27,000 members with them.

That ended the reign of disruption of Communists Harold Pritchett and Ernie Dalskog, two of B.C.'s top Reds. For helping them try to swing the deal, paunchy Harvey Murphy, a graduate of the Lenin Institute in Moscow, was expelled first by the CCL and latterly by the CIO itself.

Expulsion of Murphy's union, the CIO Mine, Mill and Smelter Workers, closed the door on three or four more key Reds, besides nearly a score delegates the union was entitled to seat at annual conventions.

The crowning blow came last week. The top leadership of the No. 1. Communist-run union in Canada, the CIO Electrical Workers, was suspended and denied "voice or vote" in any CCL affair.

The CCL confirmed the earlier suspension of UE President, C. S. "Red" Jackson and also suspended four others: Secretary George Harris who has been banned from the United States for life; Organizing Director Ross Russell and two lesser fry.

The charge: that they publisheded "slanderous and misleading" statements in their union paper, reflecting on the CCL, affiliated unions and their officers. The paper had referred to CCL officials in such terms as "union-splitting," "warmongering" and accused them of "Hitler-like tactics."

These five were suspended because their names appeared in the paper's masthead; but the Congress warned that the whole organization would be suspended if the attacks continued.

By last week, most of the key Reds had been purged one way or another, from the CCL, their following almost cut in half. If the entire UE is heaved out, Communist strength would be almost negligible.

However, CCL strategy appeared designed to avoid this if at all possible. All along, the CCL's campaign had been against the union's Red leaders, not the rank and file, hoping to start a grassroots revolt, to overthrow Communist leadership. It has had some isolated success; some locals have kicked the Reds out but top leadership still has a stranglehold. The latest CCL move make it clear to the rank and file that from now on it's up to them: if they want representation in the CCL, to have a voice in its affairs, get rid of the Communists.

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Steel Strike Looms In U. S.

The United States may be in for its first really major strike of the year. U.S. Steel Corp, the giant of "Big Steel" has flatly rejected wage, social insurance and pension demands of the CIO Steelworker's union. With steel production off to 82%-85% of capacity and going lower, the industry feels this is no time for raises or to commit itself to substantial fixed charges by agreeing to a social security program.

"A demand for higher rates of pay can no longer be justified on the grounds of continuing increases in the cost of living," said U.S. Steel in formally rejecting union propocals. Historically, U.S. Steel is the wage pace-setter in the industry. President Ben F. Fairless had this in mind when he added: ". . . a further wage increase by U.S. Steel undoubtedly would encourage a general round of wage increases throughout American industry."

Under terms of the union's contract, workers could strike in support of their demands if there was no settlement by July 16. Unless President Truman intervenes as it has been rumored, it seemed certain at midweek that they would. Such a decision would directly affect 170,000 and indirectly, another 700,000.

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Belated Victory

The classic two-year case of the John East Iron Works against the Saskatchewan Labor Relations Board has finally ended with victory for the company. The Supreme Court of Canada has dismissed an application by the Board for leave to appeal from a decision of the Saskatchewan Court of Appeal. This was to the effect that the Board did not properly excercise its authority in ordering reinstatement of five employees dismissed by John East. The decision is final.

The case began when the company dismissed five employees. The Labor Board ruled they were discharged for union activity and ordered them reinstated with back pay of about $200 each. At one stage, John East equipment was seized to realize the pay when the firm refused to pay it.

Although the ruling favored the company in this particular case, it did not declare the Act itself invalid. It ruled that the Labor Board had the power to order reinstatement and payment of back wages but that it did not exercise its authority properly. The judgment found that the Board wrongly assumed that the only question in determining the monetary loss was the amount of wages the employees would have earned had they continued in John East's employ. The error, the Court said, was in ignoring the applicable principle of law whereby it is the duty of the employee to mitigate his loss by trying to find other employment.

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New Work Week In Manitoba

Manitoba's new Hours of Work Act is now in force in all urban centres. It fixes the work week at 48 hours for men and 44 for women. For time work in excess of eight hours, the rate is time and half.

Exempt are family businesses; supervisory or confidential employees, traveling salesmen; caretakers in industrial plants. In addition, the Labor Board has power to issue special permits in special cases.

Also there is provision for handling emergency situations without overtime pay as long as they are reported to the Board within 30 days after they occur.

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Taft-Hartley Act Stays

Following the sharp defeat of President Truman on the issue of the repeal of the Taft-Hartley Act, both major United States labor organizations have sent out a call to arms for the 1950 Congressional elections.

Faced with the knowledge that the Senate was determined to keep some of the Act's national emergency provisions, both the CIO and AFL publicly admitted defeat this time. However, the admission was coupled with a call for redoubled efforts next year.

"Liberals," said the AFL League Reporter "must do even a greater job of electing progressive senators in 1950 than they did in 1948, if legislation fair to labor is to be passed by Congress."

CIO News carried an open letter from President Phillip Murray. The T-H Act, he said, still remains a "cancerous growth on the body politic, despite the clear vote of the people last November. There can be only one answer—the full exercise by the people of their democratic rights at the polls . . . in 1950."

Acceptance of defeat by labor is considered by most observers as clear indication that unions are prepared to live with the amended T-H Act until they can make it a major election issue.

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U. S. Bans More Leftists

Six more names have been added to the United States now lengthy list of Canadian labor leftists banned permanently or temporarily from the U.S. because of their radical affiliations or leanings.

The latest all belong to the CIO Auto Workers: Steve Anco, president of Toronto's Massey-Harris local. Chris. Ellis and Reg. Screen, top officials at Toronto's Canada Cycle and Motor Co; Clifford Getty and Aulay Miller, both of Local 195, Windsor and Adam Jacobson of the Ford local, Windsor.

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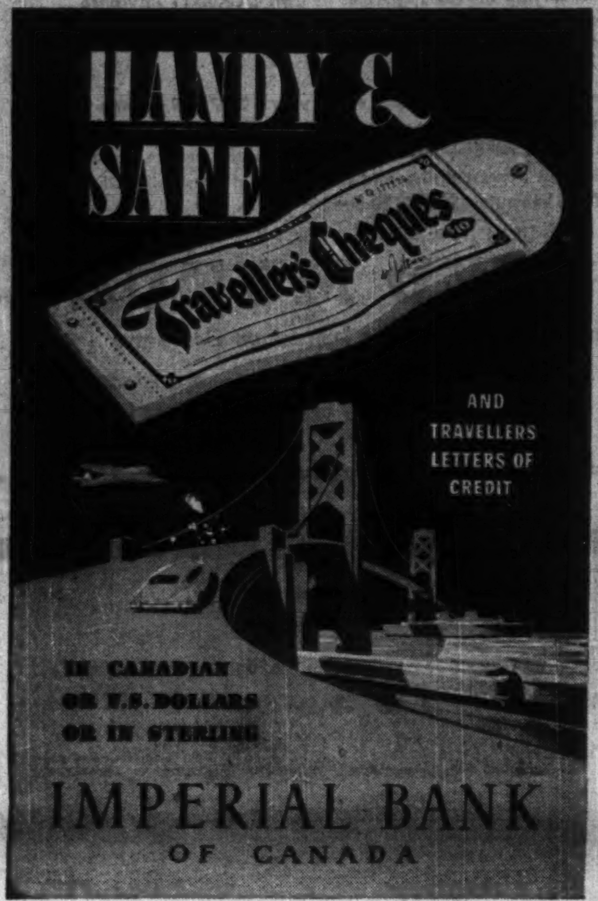
Red Goes To Jail

Bert Meade, Communist organizer for the Canadian Seamen's Union on the Atlantic coast, began serving a three-week sentence last week for illegal possession of offensive weapons. With CSU Port Agent Gus Genites, who was dismissed, Meade was charged after a raid on union headquarters, following a bloody waterfront battle.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N7-49

EL PEN-REY MINES reports that by agreement of July 6 with Stuyvesant-North Ltd., 100,000 shares have been underwritten at 15 cents a share payable July 20 and 900,000 shares optioned in blocks of 150,000 shares each at 15, 17½, 20, 25, 30 and 35 cents a share. Upon issue of underwritten shares, issued capital will be 1,600,000 shares, leaving 2,400,000 in treasury.

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LAKE LINGMAN GOLD MINES reports that by agreement of July 5, David Agency Ltd. of Toronto has underwritten 50,000 shares at 35 cents a share payable as to 25,000 shares forthwith and 25,000 shares within 30 days and has been given an option on 900,000 shares at 35 cents to $1.50 a share, all all exercisable within 18 months. Upon issue of the first block of underwritten shares, issued capital will be 1,575,000 shares leaving 1,425,000 in treasury.

• • •

CROINOR PERSHING MINES reports that June 30 installment on 120,000 shares at $1 a share under agreement with Titanic Mine Holdings Ltd., has not been exercised.

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Health of Canadians Shows Steady Advance

Crude Death Rate Estimated To Have Dropped 40% In Last 25 Years – Cancer Deaths Among Children Rise However

Canadians have made an outstanding record in reducing mortality and advancing the public health generally in the last 25 years, according to the Metropolitan Life which has been operating in Canada since 1872. In 1924 it established a separate head office in Canada.

The company's figures for industrial policyholders show that the crude death rate has dropped more than 40% from 8.9 per 1,000 in 1924-26 to 5.2 in 1946-48. The decline is even more marked when allowance is made for the increase in the average age of those insured, the company states.

Greatest relative improvement has occurred among the diseases prevalent mainly at the younger ages. Thus, the death rate from the principal communicable diseases of childhood has declined from 53.4 per 100,000 to 4.8 during the period.

Of this group, scarlet fever has been all but wiped out as a cause of death. Not one death from scarlet fever was reported among the company's millions of industrial policyholders in Canada in the first four months of 1949. Deaths from diphtheria have dropped by more than 90.9%; from measles by 87% and from whooping cough by 89.9%.

Reduction of 90%

The death rate from diarrhea and enteritis is usually regarded as a good barometer of health progress and this has been reduced by about 90% from 102.7 per 100,000 to 10.9.

While general statistics appear to indicate that the maximum life span is now being extended, more people are living to the higher ages than formerly. Thus the life expectancy of a child at birth is now much greater than it was 25 years ago as also is the life expectancy of a person 50 years of age. Accordingly today there are more people reaching age 65 or 70 than previously.

Reduction in infant mortality is especially noteworthy. In the past 25 years the company states the death rate among children under one year of age has been cut by half.

Thetford Mines Experiment

A little over 25 years ago, the company conducted an experiment in Thetford Mines, Que., to show that infant lives could be saved by proper care. In three years, 1921-23, the demonstration resulted in a reduction of 68% in the infant mortality rate of Thetford Mines, a result which naturally gave considerable impetus to similar efforts across Canada.

Child bearing has also become safer in Canada. The death rate from diseases of the puerperal state has dropped 75% in the last 25 years.

The improvement is believed even greater than the figures indicate because the birth rate has been higher the last three years than in the earlier period.

Other diseases in which the death rate has declined include pneumonia and influenza where the rate has dropped 75%; tuberculosis is down 66%.

Diseases of Older Ages

Even the diseases of middle and later life show only moderate increases when death rates are adjusted for the ageing of the population.

But because of the increasing proportion of policyholders at the older ages, the relative importance of these diseases has grown in the total mortality picture.

Thus, says the company's bulletin, deaths from cancer, diabetes and heart and related conditions now account for about 60% of all deaths from disease; 25 years ago, they accounted for only 25% of this total.

One feature brought out by the Metropolitan Life's studies is that with the reduction in childhood diseases from infections, there has been a radical change in the importance of cancer deaths among children.

Data for children insured in the industrial department of the company in United States and Canada show that at ages 1 to 14, cancer, including leukemia and Hodgkin's disease, is now the second ranking cause of death from disease and at 5 to 9 leads all other diseases. In 1930 cancer was not even among the first 10 causes of death among children. In 1946-47, cancer accounted for one out of every nine deaths from disease, whereas in 1930 it was responsible for only one in every 50 such deaths.

The death rate from cancer among insured children was 7.1 per 100,000 in 1943-47, an increase of about 40% from 1930-34. The rise was 42% among boys, 36% among girls. Cancer mortality among children is higher at the younger ages.

The situation, however, looks worse than it really is, the company's study on cancer states. Part of the recorded increase in juvenile cancer mortality is said to be probably spurious, because it reflects more accurate diagnosis with the result that cancer is now being reported on death certificates in increasing numbers.

Generally, however, the outlook for further improvement in Canada's mortality is stated to be bright.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

COMMERCIAL ALCOHOLS LTD. reports a deficit of $121,905 for the year ended March 31, 1949 against a net profit of $70,048 in the previous year. The loss was attributed to the high cost of molasses in relation to the selling price of alcohol which was held down due to competition. The loss was intensified by the mild winter which resulted in substantially reduced sales of antifreeze. Considerable quantity was left to be carried forward for the next season and value of this inventory has been reduced to conform to the reduced selling value, states President C. G. Kertland. The shellac department operated at capacity and showed a satisfactory profit.

"While the results of operations for the year are extremely discouraging, they nevertheless reflect the complete price adjustment that may be expected in the sale of industrial alcohol," states Mr. Kertland. The price adjustment was precipitated by the price war in the industrial alcohol market in the U.S. as well as by the drop in price of molasses from 40c per gal. to approximately 12c at present. "President indications are that alcohol prices in the U.S. will be increased within the next few weeks."

During the year $2,331,621 was invested in new plant and equipment and $210,575 from proceeds of sale of bonds was deposited with the trustee for payments to be made for plant and equipment. The new magnesia plant was started and the buildings completed late in the fall. It is expected to be in operation in July.

CONS. INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Net oper. profit	■496,798	$156,482
Less: Depreciation	41,036	32,381
Bond int.	30,085	4,001
Bond disc. & exp.	3,000	1,281
Income tax§‡	▲39,014	48,811
Net profit	■121,905	70,048
Less: Pref. divds.	20,000	20,000
Common divds.	50,125	40,603
Surplus for year	■192,030	9,445

■Loss or deficit.
▲Reduction of pr. yr's tax.

Earnings per Share and Dividend Record:		
Pref.:	d$2.44	$1.40
Paid	0.40	0.40
Common	d0.42	0.24
Paid	0.20	0.20

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1949	1948
Cash	$6,629	$10,132
Accts. rec.	169,569	79,631
Inventories	469,456	797,382
Total curr. assets	645,654	887,145
Prep. exp.§	31,572	16,319
Misc. assets▲	107,865	34,865
Fixed assets*	†3,531,318	1,039,567
Rights & contracts	113,790	113,790
Total assets	4,430,199	2,091,686
Bank loan	780,000	536,000
Accts. & tax. pay.	202,260	181,209
Dividends pay.	5,000	15,401
Total curr. liab.	987,260	732,610
Def. acct. pay.	47,953	....
Funded debt	2,300,000	600,000
Capital stock	998,777	470,837
Surplus	96,209	288,239
*After depr. of	555,248	525,949
▲Incl. ref. EPT	2,243	2,243

§Incl. in curr. assets in co's. report.
■Excess of curr. liab. over curr. assets.
†Incl. $210,575 in trust for construction of plants. In addition, est. cost of $125,000 to be paid $12,500 semiannually commencing Dec. 31, 1949, balance on June 30, 1951.

Working capital	■341,606	154,535

Staff Changes

Chartered banks announce the following changes:

Toronto:

R. STEEL, formerly manager, Madison, Sask., to be manager, LaFleche, Sask.

J. W. BUNGE, formerly manager, LaFleche, Sask., to be manager, Langenburg, Sask., succeeding C. A. VENN, transferred to Winnipeg main office.

A. STEPHENSON, formerly assistant manager, Regina, to be manager, Preston, Ont.

W. A. McEVOY, formerly manager, Preston, Ont., to be manager, Peterborough, succeeding J. L. THOMPSON, who retires.

A. W. B. ROGERS, formerly accountant, Dundas & Ossington, Toronto, to be manager, Eglinton & Sherit, Toronto, succeeding H. C. STEPHEN, transferred, supervisor's department in head office.

B. O. BRANSTON, formerly attached to head office inspection department, to be manager, Dundas & Roncesvalles, Toronto.

G. L. REID, formerly manager, Dundas & Roncesvalles, Toronto, appointed manager, Elm & Elizabeth, Toronto, succeeding J. C. THOMAS, transferred to head office.

T. C. NICHOLL, formerly accountant, Ottawa Union Station, to be manager, Claremont & Sherbrooke, Montreal.

A. K. YOUNG, formerly manager, Claremont & Sherbrooke, Montreal, appointed manager, Cardinal, Ont.

G. D. GOWANS, manager, Cardinal, Ont., appointed manager, Creemore, Ont.

J. H. LAWRENCE, formerly manager, Creemore, Ont., to be manager, Shelburne, Ont.

R. B. GENDRON, formerly accountant, at city hall branch, London, Ont., appointed manager at London market branch, succeeding M. S. HARGREAVES, who retires.

G. HEINRICH, formerly attached to the supervisor's department in western department, Winnipeg, to be manager, Calgary, Alta., succeeding F. C. BURNET, who retires.

H. E. WHITNEY, formerly attached to head office supervisor's department, to be manager, Windsor, Ont., succeeding W. H. HISCOCK, who retires.

H. A. LAWRENCE, formerly accountant, Yorkton, Sask., to be manager, Hodgeville, Sask.

G. A. CUMING, formerly accountant at Langenburg, Sask., to be accountant, Yorkton, Sask.

A. G. BELL, formerly accountant, Minitonas, Man., to be accountant, Langenburg, Sask.

D. E. BELL, formerly attached to the staff at Montmartre, Sask., to be accountant at Minitonas, Man.

D. J. KENNEDY, formerly assistant accountant, London city hall, Ont., to be accountant, that branch.

* * *

Nova Scotia:

H. R. YOUNKER, to be an assistant supervisor at general manager's office.

S. D. BERGERON, to be manager, St. Roch, Quebec City.

F. D. DUNN, to be manager, Halifax, N.S.

C. B. GUEST, to be manager, Sault Ste. Marie, Ont.

W. T. THOMPSON, to be manager, Spadina & Dupont, Toronto.

G. L. LEROUX, to be accountant, St. Roch, Quebec City.

C. L. MACDOWELL, to be accountant, Sault Ste. Marie, Ont.

* * *

Imperial:

H. G. SCOTT, formerly manager, Yonge & Millwood Road, Toronto, to be manager of new branch to be opened at Halifax, probably in September.

R. K. HANNA, formerly assistant manager, Dundas & Victoria, Toronto, to be manager, Yonge & Millwood Road, Toronto.

C. W. AUSTIN, formerly assistant manager, Church & Carlton, Toronto, appointed assistant manager, Dundas & Victoria, Toronto.

W. R. DONALD, formerly accountant, Church & Carlton, Toronto, to be assistant manager, Church & Carlton, Toronto.

F. B. MEE, formerly assistant accountant, appointed accountant, Church & Carlton, Toronto.

F. H. HEWSON, Niagara-on-the-Lake, Ont., retires.

A. D. RIDDELL, manager, Amherstburg, Ont., to be manager, Niagara-on-the-Lake, Ont.

A. L. BONLEY, manager, Cochrane, Ont. appointed manager, Amherstburg, Ont.

E. W. GAMBLE, manager, Cottam, to be manager, Cochrane, Ont.

R. P. BROWN, accountant, London, to be manager, Cottam.

F. J. DORSCHELL, accountant, Kirkland Lake, Ont., to be accountant, London.

A. W. THOMSON, accountant, New Liskeard, Ont., to be accountant, Kirkland Lake, Ont.

R. J. ADAMSON, accountant, South Porcupine, Ont., to be accountant, New Liskeard.

J. A. KASK, accountant, Norwood Boulevard, Edmonton, to be accountant, Edmonton South.

C. CROOK, accountant, Edmonton South, to be assistant manager, Edmonton South.

Group Insurance in Force Rises 70% in Three Years

Protection for families of Canadian workers under group life insurance contracts has increased almost $750 millions or 70% in the three years since the war ended, the Canadian Life Insurance Officers' Association reports.

These group life plans have been set up voluntarily by employers to insure their employees.

At the end of 1948, the Association states, some 1,725,000 workers were insured for more than $1,600 millions under 7,056 master contracts.

Average protection of insured workers under these plans is approximately $1,050. The number participating in group life insurance plans has expanded roughly at the same rate as the amount of group life protection in force. The number of workers owning group life insurance today is more than 750,000 greater than the nearly 950,000 who owned such life insurance at the end of 1945, the association states.

The number of master contracts in force has grown meanwhile from 4,580 to 7,056.

One factor in the expansion of group life insurance protection is that workers who have had group insurance with one employer want to know if it will be available when they come to change jobs. "More and more, employers are coming to recognize its advantages as a factor in job attractiveness," the association said.

Gt.-West Agency Writes $113 Millions in 5 Years

The Earl M. Schwemm Chicago Agency of the Great-West Life Assurance Co. with its 60th consecutive month of a million dollars or more new ordinary business, reached in June, has established what is claimed to be a production record in the life insurance industry. Total production during this whole five-year period exceeded $113 millions, an annual average of over $22 millions.

This agency organization has been the top-ranking office of the Great-West for 11 years past and is again pointing toward a new 12-month record with over $13 millions new business in the first half of 1949.

Earl Schwemm became manager of the Great-West's Chicago agency in May, 1936, when it ranked eleventh among the company's branches in United States and Canada. It has been the leading agency since 1938.

BANK OF CANADA

	July 6 1949	June 29 1949
Liabilities	$	$
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,387	10,050,387
Notes in circ.	1,274,453,781	1,267,720,196
Deposits: Dom.	102,836,610	122,158,218
Chart. banks	609,258,870	561,826,525
Other	65,740,829	64,491,253
Total deposits	782,837,709	748,476,996
Liabs. payable in sterling, U.S.A., and for'n gold currencies:		
(a) to gov. of Can.	75,378,425	69,818,027
(b) to other	117,626	117,626
Total	75,496,051	69,935,652
All other liab.	20,272,046	20,826,001
Total liabs.	2,169,209,954	2,122,007,212
Assets		
Sterling & for'n	70,696,051	64,935,653
Other currencies	71,299	63,596
Total	70,767,350	64,999,249
Subsid. coin	212,678	266,371
Investments:		
Gov't. sh. term	1,385,670,561	1,373,129,889
Other gov. sec.	639,964,683	634,774,034
Other secs.	5,000,000	5,000,000
Total invest.	2,030,635,244	2,012,904,923
Total share cap. at cost	25,000,000	25,000,000
Premises	3,059,422	3,057,603
All other assets	39,534,060	15,779,266
Total assets	2,169,209,954	2,122,007,212

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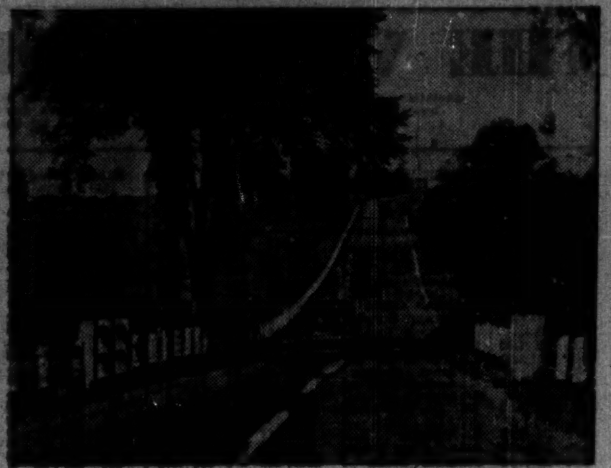

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LET'S MAKE THEM WANT TO COME BACK!

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WAIT'LL WE SPROUT OUR WINGS, JOHN—THEN WE'LL REALLY GET AROUND!!
?!!
I'LL JUST TAKE CARE OF THIS CODDLING MOTH LARVA BEFORE IT DOES ANY MORE DAMAGE
ULP! A TREE TOAD!!
VACANT
HELP!!!
FARM EXPERTS ESTIMATE THAT A SINGLE TOAD IS WORTH FROM FIVE DOLLARS TO OVER NINETEEN DOLLARS TO THE FARMER—THEY KILL GREAT NUMBERS OF HARMFUL INSECTS SUCH AS THE CODDLING MOTH LARVA—TOADS AND FROGS SHOULD ALWAYS BE PROTECTED

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The beauty and sentimental appeal of toads and frogs may be a matter of opinion, but their value to farmers is beyond question. With your protection they can help weight the balance of nature in your favour.
"Nature Unspoiled"— YOURS TO ENJOY — YOURS TO PROTECT
CARLING'S
THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO

Position of Chartered Banks of Canada as of May 31, 1949, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada, Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other banks in Canada	Due to banks in U.K.	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	3,791,481	105,938,871	45,397,959	....	383,055,105	1,069,053,500	18,425,315	81,279,789	20,198,007	9,713,268	20,319,376	35,368,250	1,381,832	737,851	44,000,000	36,000,000	2,073,058,580
Nova Scotia	1,292,804	25,248,340	2,534,730	....	184,284,032	307,699,595	5,867,111	83,146,880	8,029,922	1,910,825	4,880,207	24,080,889	487,634	14,228	24,000,000	12,000,000	773,414,793
Toronto	557,166	27,121,028	3,849,495	....	120,390,794	264,482,358	673,987	....	4,872,886	3,551,951	1,325,608	2,779,337	23,125	180,584	14,000,000	[illegible]	444,581,199
Provincial	278,318	2,589,350	819,271	....	33,913,549	110,316,679	34,448	....	3,023,621	....	50,080	2,887,588	58,120	66,065	2,000,000	4,000,000	139,723,363
Commerce	3,091,646	61,861,976	38,665,891	....	426,790,509	801,924,292	8,060,689	96,953,951	11,885,847	4,781,871	9,333,814	49,954,290	500,451	44,430	30,000,000	30,000,000	1,572,869,734
Royal	3,993,720	70,141,806	31,369,587	....	552,860,078	926,082,773	35,713,555	371,031,142	14,116,350	7,080,597	37,030,182	51,847,892	3,892,897	774,051	40,000,000	35,000,000	[illegible]
Dominion	829,894	21,140,845	1,807,881	....	112,516,777	210,954,872	5,870,567	11,511,960	2,437,501	2,287,424	3,453,175	9,349,408	176,382	3,747	10,000,000	7,000,000	409,324,247
Nationale	858,407	12,824,515	2,274,350	....	93,902,195	288,169,440	801,975	....	3,900,597	108,412	982,297	742,636	54,381	154,540	7,000,000	7,000,000	416,083,745
Imperial	730,292	21,541,899	38,025,290	....	139,883,338	260,850,901	3,324,085	....	4,371,840	3,418,065	4,650,812	7,617,367	129,837	6,630	10,000,000	7,000,000	501,450,710
Barclays	55,245	2,160,193	41,784	....	6,962,719	8,754,788	3,259,396	....	308,761	4,315,482	1,752,357	1,633,648	11,358	....	750,000	1,500,000	31,508,314
Total	14,885,763	343,550,543	164,785,939	....	2,283,788,110	4,338,365,129	81,032,128	642,923,411	74,043,041	37,170,735	82,786,863	186,130,928	6,616,707	2,134,136	188,750,000	145,500,000	8,559,849,494

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	554,737	3,817,716	....
Nova Scotia	15,000,000	12,000,000	12	3,079,933	1,303,451	....
Toronto	10,000,000	6,000,000	12	429,838	561,236	....
Provincial	5,000,000	4,000,000	6	122,651	278,808	....
Commerce	50,000,000	30,000,000	8	1,635,371	3,116,260	....
Royal	50,000,000	35,000,000	10	3,189,183	4,025,400	....
Dominion	10,000,000	7,000,000	10	320,677	833,149	....
Nationale	10,000,000	7,000,000	8	683,790	873,867	....
Imperial	10,000,000	7,000,000	12	485,766	[illegible]	....
Barclays	1,500,000	1,500,000		....	57,220	....
Total	211,500,000	145,500,000		9,472,589	14,990,761	....

†And loans for which they are guarantors

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U. K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	¶Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,468,889	8,765	43,247,573	152,458,640	92,467,537	1,880,552	8,818	5,403,227	31,973,826	230,492,725	637,738,188	28,303,492	99,579,134	37,518,747	55,432,080	188,110,793	10,531,918	21,952,795	411,819,399	18,798,954	5,147,438	18,894,377	853,033	311,787	17,377,302	226,551	3,122,138	2,075,957,920
Nova Scotia	1,001,657	864,450	20,582,634	42,817,837	31,426,332	15,339,515	....	279,947	12,422,700	71,972,025	173,841,071	4,653,898	13,578,801	7,764,193	9,616,651	31,171,910	12,389,610	5,445,180	223,658,271	46,898,323	4,144,993	10,194,119	61,298	7,717	8,315,153	37,645	4,321,209	778,732,535
Toronto	629,739	....	9,509,313	37,944,013	14,974,306	800,499	67	1,404,985	5,082,793	44,731,803	141,532,295	8,852,557	18,191,684	6,905,239	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provincial	483,015	....	4,880,000	8,512,940	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Commerce†	1,670,357	129,992	29,760,495	101,843,184	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Royal‡	2,500,026	1,625,485	46,083,884	130,138,917	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dominion	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nationale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imperial	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Barclays	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return. †The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the bank in that state. The assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return. ¶Includes mortgages. ‖Includes $186,130,928 letters of credit as shown in liabilities. ‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in The Royal Bank of Canada Return.

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING JULY 8

Range 1949 High	Low	Div. R'te $	July 8 Y'ld %		Sales	Last June 30	Week end. July 8 H	L	Cl'se
17½	9¾	■.10	...	Abitibi	5071	11	12½	11¾	12
20½	16	1.50	8.5	Do. $1.50 pf.	5810	18½	17¾	16½	17¾
38½	35	2.50	6.7	Do. $2.50 pf.	1202	37½	37½	37½	37½
25	19½	1.00+■1.12		Acadia At. A	165	20	20½	20½	20½
103	99	5.00	5.0	Do. 5% pref.	10	99	99½	99½	99½
15	8	■.50	...	Acme Glove	230	8	8	8	8
9½	7½	■.30	...	Agnew Surp.	160	7½	8½	8½	8½
38	35	...	...	Algoma Steel	771	38½	39½	38	39
26½	25	1.00	3.9	Alum of Can. p	280	25½	25½	25½	25½
61½	40½	2.00	4.2	Aluminium, n.	3577	43	48½	43½	46
9	6½	●	...	Amal. Electric	50	6½	6½	6½	6½
7½	4½	■.20	..	Andian Nat.	20	4½	5½	5½	5½
6½	5½	.60	10.0	Argus	765	5½	6	5½	6
76	60	4.50	7.3	Do. 4½% pref.	15	62	62	62	62
.20	.10		...	Do. Warr.	208	.15	.15	.10	.15
26½	20	1.20	5.3	Asbestos	261	21½	22½	21½	22½
13½	10½	.60	5.2	Ashdown Hdwe	200	11½	11½	11½	11½
12½	10	1.00	9.5	Atlas Steels	3015	10½	10½	10½	10½
10	5½	.60+■.20		Auto Fabric A	25	9	5½	5½	5½
5½	4	.40	8.3	Do. (B)	100	4½	4½	4½	4½
20½	19½	.80	4.0	Bk. Can. Nat.	17	20	20	20	20
26½	25	.80+■.20		Bk. Montreal	2425	25½	25½	25½	25½
36½	34	1.20+■.20		Bk. N. Scotia	750	34½	34½	34½	34½
37½	35	1.20+■.20		Bk. Toronto	370	36	35½	35½	35½
23½	17½	1.50+1.00		Bathurst Pr. A	135	18½	18½	18½	18½
6½	3	■.25	...	Do. (B)	50	4	3½	3½	3½
14½	12½	■.25	...	Beatty Bros.	115	12½	12½	12½	12½
10½	8½	.60	7.1	Belgium Glove	100	9	8½	8½	8½
41½	38½	2.00	4.9	Bell Telephone	8780	40½	41½	40½	41½
12	9½		...	Blue Ribbon	50	10	12	12	12
26½	23	■1.50	..	Bowes Co. B	100	26	26½	26½	26½
9	8½	.50	5.6	Brant. Cord.	70	9	9	9	9
20½	17½	2.00	10.5	Brazilian Tr.	4519	18½	19½	18½	19½
15½	13	.60+■.20		Brew & Distil.	307	13	15	13½	14
14½	12	■.40	...	Br. Am. Bk. N.	10	13½	13½	13½	13½
25½	22	1.00	4.2	Brit. Amer. Oil	3727	23½	24	23½	24
25½	24	.93¾	3.9	Do. pref. n.	500	24½	24½	24	24½
90½	86	4.00	4.6	B C Elec. 4% p	85	87	87	86	87
101½	97	4.75	4.9	Do. 4¾% pf.	175	98½	99	98½	99
3	2½	.30	11.5	B.C. Forest	1350	2½	2½	2½	2½
13	10	.75	7.3	B.C. Packers A	320	11	10½	10½	10½
6½	5	.50	8.3	Do. "B"	25	6	6	6	6
26½	24½	1.60	6.1	B. C. Power A	256	26½	26½	26	26½
3½	2	...	...	Do. "B"	5	2½	2½	2½	2½
114	75		...	B.C. Pulp & P	200	77	78	78	78
160	141	7.00	..	Do. pref.	6	131	146	141	141
.35	.30	...	...	B. C. Turf	2100	.36	.38	.36	.38
4	2	...	...	Brown Co.	3500	2½	2½	2½	2½
103	70½	▲6.00	...	Do. pref.	569	71	74½	71	74½
17½	14	1.20	8.2	Bruck Mills A.	25	14	14½	14½	14½
5½	4	.30+■.07½		Do. (B)	200	5	4½	4½	4½
33	27	1.60	5.3	Building Prod.	790	30½	31½	29½	30½
14½	12½	■.35+.25		Burlington St'l	300	12½	12½	12½	12½
31	23½	1.20+■1.30		Burns & Co A	10	23½	25	25	25
8½	6½	.45	5.7	Burrard DD A	815	7½	7½	7½	7½
12½	9	■.75	...	Butterfly Hos.	25	9	10	10	10
3½	2½	.10	4.0	Canada Bread	300	2½	2½	2½	2½
26½	21	...	...	Can. Cement	1177	22½	24	22½	23½
30	26½	1.30	4.6	Do. Pref.	145	28	28	27½	28
23	18½	■.45	...	C & D Sugar	1062	20	20½	20	20
24	15	.80	3.6	Can. Iron	250	15	22	19½	22
6½	4½	.50	10.4	Can. Machine	50	5½	4½	4½	4½
50	42½	2.00	4.6	Can. Malting	75	43½	43½	43½	43½
34	28½	1.50	5.0	Can. Packers A	145	29½	29½	29½	29½
192½	186½	8.00	4.3	Can. Perman.	12	188	190	188	188
98½	96½	4.50	4.6	Can. Safeway p	15	98	98½	98½	98½
14½	12	1.00	8.0	Can. St'mships	100	12½	12½	12½	12½
38	33	2.50	7.1	Do. Pref.	147	35	36	35	35
13½	11½	.80	6.4	Can. Vinegars	25	12	12½	12	12½
82	79	4.00	5.0	Can W Cable A	55	79½	79½	79½	79½
29	24½	■1.00	..	Do. (B)	70	26½	26	26	26
24½	22½	.80+■.20		Can. Bk. Com.	2510	23½	23½	22½	23
21	18½	2.00	9.8	Can. Breweries	3628	19½	20½	19½	20½
23½	18	■1.12	..	Can. Bronze	80	20	19½	18	19½
18	13½	1.25	7.8	Can. Canners	410	15½	16	15½	16
18	13½	.60+.40▲▲		Do. 2nd pref.	55	15	15½	15½	15½
14½	9½	.80	7.3	Can. Car & F'y	642	10½	11	10½	11
17	13	1.00	7.1	Do. pref. A.	255	13½	14	13½	14
22½	19	■.70	...	Can. Celanese	2552	19½	21	19½	20½
39	35	1.75	4.9	Do. Pref.	100	36½	35½	35½	35½
22½	20	1.00	4.6	Do. $1 pref.	100	21	22	21½	22
48	45½	2.80	6.2	Can. Cottons	280	46½	46	45½	45½
27½	25½	1.20	4.5	Do. pref.	125	28	26½	26½	26½
28½	18½	■1.00	...	Can. Dredge	15	20½	20	20	20
33	30	1.00	3.3	Can. Fairb.	30	30	30	30	30
20	19½	.80	4.2	Canadian Fire.	242	20	19½	19½	19½
9	4½	.75	15.0	Can. Food Prod	1055	4½	5	4½	5
13½	8½	1.00	10.5	Do. (A)	20	8½	9½	9½	9½
29	24	3.00	12.0	Can. For. Inv.	105	24½	25	24½	25
17½	15½	.80+■.20		Can. G. Inv.	25	15½	15½	15½	15½
12½	12½	.80	6.4	Can Ice Mach A	25	12½	12½	12½	12½
11½	8½	■.50	...	Cn. Ind. Alc. a	1640	8½	9	8½	8½
11½	8	■.50	...	Do. (B)	412	8½	9	8½	8½
22	19½	■57½	...	Can. Indus.	728	20½	21	20½	21
178½	170	7.00	4.1	Do Pref.	12	171	171	171	171
34	22½		...	Can. Lt. & Pr.	21	28	24½	22½	24½
36½	24	1.00+1.75		Can. Locomo.	127	25½	27½	26½	27½
2.00	1.00	...	...	Can. Marconi	120	1.15	1.25	1.00	1.15
13½	12½	.80	6.2	Can. Oil	150	13	13	12½	13
17½	11½	■.75	...	Can. Pacific	9869	12½	13	12½	12½
2.00	1.00	...	...	C Pr & Pa In.	76	1.00	1.20	1.00	1.00
11	9	...	...	Do. Pref.	10	9½	9	9	9
85	60	...	...	Can. Vickers	245	65	66	63	66
4.00	3.12½	.40	11.9	C. W. Lumber	800	3.25	3.37½	3.25	3.37½
11½	10	▲.60	...	Capital Estates	100	11½	11	11	11
11½	7½	■.60	...	Cardy Corp.	8	7½	7½	7½	7½
36	30	■.75	...	Catelli Food	30	30	30½	30	30
.98	.41	...	...	Chem Research	1600	.47	.50	.50	.50
100	54		...	Claude Neon, p	80	60	59	59	59
3.35	2.00	.24	7.4	Coast Brew.	746	3.25	3.25	3.25	3.30
13½	13	.80	6.1	Cochrane-D A.	200	13½	13½	13½	13½
14½	11	.80	6.4	Cockshutt Plow	339	11½	12½	11½	12½
6	1½	■.05	...	Comm. Alcohol	710	2½	3	2½	3
10½	7½	■.25	...	Cons. Bakeries	665	9½	10½	9½	10½
.50	.30		...	Cons Div Sec A	12	.30	.30	.30	.30
16	15	1.00	6.7	Do. pref.	3	15½	15	15	15
30	24	2.00	8.3	Cons. Litho	75	26	25	24	24
18½	13½	1.00+■.75		Cons. Paper	5979	14½	15½	14½	15
8½	6½	.65	9.3	Cons. Press A	15	7	7	7	7
3	2		...	Do. (B)	280	3	2	2	2
123	81	♦3.00	...	Cons. Smelt.	7139	85	91	84½	90
12½	9	■.30	...	Cons. Textiles n	50	10	9	9	9
152½	148½	8.00	5.3	Consumers' Gas	151	150½	151½	151	151½
30	20	1.50	6.5	Consum. Glass.	65	22½	23	23	23
15½	14	...	...	Cosmos Imp.	40	15	14½	14½	14½
6½	5½	■.50	...	Craig Bit	100	5½	5½	5½	5½
79	62	■5.00	..	Cres. Cream, p	24	62	79	78	79
38	35	2.00	5.5	Crown Cork	50	37½	36½	36½	36½
52	45½	■2.00	...	Crows N. Coal	75	48	48	48	48
23	20½	1.50	7.0	Davis Leath. A	50	20½	21½	21½	21½
18½	14½	1.00	5.9	Distill-Seag.	1665	17½	17½	16½	17
26	23½	1.00	3.9	Dom. Bank	60	26	26	26	26
37½	31½	1.20+■1.00		Dom. Bridge	1063	36½	37	36½	36½
21	16	‡1.50	...	Dom. Coal Pref	511	19	19	17	18
9	7	■.25	...	Dom. Dairies	30	7½	7½	7½	7½
23	19	1.75	9.2	Do. pref.	15	18½	20	19	19
48	42	3.00	6.9	Dom. Engineer	150	43	43½	43	43½
27½	22½	1.40	5.8	Dom. Foundries	175	23	24	23	24
39½	34½	1.00+■1.00		Dom. Glass	305	37½	36½	36½	36½
35	30	1.40	4.2	Do. pref.	29	33	33½	30	30
14½	8	...	...	Dom. Magnes.	250	9½	9½	9½	9½
25	25	1.00	4.0	Dom. Malting	50	25	25	25	25
40	36½	1.60+■.30		Dom. Oilcloth	345	36½	37	37	37
5	3½		...	Dom. Scot. Inv.	10	3½	3½	3½	3½

BUSINESS BAROMETER

	JUNE	MAY	APR.	MAR.	Year Ago
GOVERNMENT FINANCE (Millions of $)					
Dom. total expend.	....	136.9	74.8	....	148.3
Dom. total rev.	....	301.4	181.6	....	271.8
MERCHANDISING					
■Dept. store sales (3)	+27	+11	+15	+7.2	....
Country store sales (3)	....	....	+7.8	+1.6	....
Retail store sales (3)	....	....	+16.8	+5.6	....
Wholesale sales index (1)	....	....	290.3	283.4	265.4
FINANCE					
Dividend payment index (1) (5)	213.1	215.4	217.9	217.5	197.9
Money supply (millions $)	....	....	4,251	4,141	4,053
NEWSPRINT CAPACITY					
Production ratio (7)	....	103.0	102.9	101.7	102.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	210.5	211.3	228.0	207.1
Cars (D.B.S.) (1)	....	154.9	157.6	163.3	160.0
COST OF LIVING					
D.B.S. (1)	160.5	159.5	159.3	159.3	154.3
EMPLOYMENT INDEX					
All industries (6)	....	188.6	187.6	188.8	186.5
Payrolls (June 1/41=100) (2)	....	....	206.3	207.2	184.7
MANUFACTURING					
Inventories (1947=100)	....	....	130.6	132.5	120.4
Employment (6)	....	203.2	203.0	203.0	201.8

	1949	1948	1949 Jan. 1 to date	1948	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week July 2)	62.1	71.1	1,875.7	1,934.3	—3.0
C.N.R. gross rev. (May)	40,184	41,145	193,185	188,756	+3.9
C.N.R. net rev. (May)	397	3,749	64	9,459	—93.3
C.P.R. gross rev. (May)	30,472	28,205	146,167	133,284	+9.7
C.P.R. net rev. (May)	354	1,284	2,477	3,943	—37.3
IRON AND STEEL PRODUCTION (000s omitted) (Mar.)					
Pig iron production (tons)	202.1	172.7	557.9	483.8	+15.3
Steel production (tons)	298.5	286.0	842.4	782.4	+7.7
CONSTRUCTION (000's omitted)					
■Contracts awarded (May)	105,953	139,915	386,450	349,213	+10.7
Cement prod., bbls. (Apr.)	1,275	1,038	4,840	4,156	+16.5
AGRICULTURE (000's omitted)					
Flour prod., bbls. (May)	1,370	1,732	7,803	9,247	—15.6
Flour exp., bbls. (May)	919	1,715	4,149	5,493	—24.5
Wheat exp., bush. (May)	22,549	12,206	74,580	46,933	+58.9
Cattle sales (May) (4)	102.0	105.3	582.5	591.6	—4.1
Hog sales (May)	316.4	403.7	1,713.9	2,432.8	—29.6
SEA FISHERIES (000,000's omitted)					
■Catch, lb. (May)	126.7	147.0	350.8	422.9	—17.0
■Landed value (May)	6.5	6.5	13.6	14.6	—6.8
NEWSPRINT (000's omitted)					
Production (May) (7)	443	421	2,169	2,024	+7.1
Exports, tons (May) (7)	430	417	1,966	1,853	+6.1
MINING AND OILS (000's omitted)					
Coal prod. (tons) (May)	1,327	1,362	7,765	7,178	+8.2
Gold prod. (fine oz.) (Apr.)	325	286	1,284	1,109	+15.8
■Petroleum prod. (bbl.) (Apr.)	1,845	796	6,393	3,170	+101.7
ELECTRICAL POWER OUTPUT (000,000's omitted) (Apr.)					
Total monthly kwh	4,150	3,727	15,173	14,733	+3.0
FOREIGN TRADE (millions of $)					
Imports (Apr.)	242.7	226.7	908.4	812.0	+11.9
Exports (May)	272.9(7)	282.3	1,169.6	1,166.6	+0.3
FINANCE (millions of $)					
■Bank debits (June)	6,915	6,446	33,954	31,552	+7.6
■Bond sales (June)	247.7	221.5	1,922.0	2,234.3	—14.0
Life insurance sales (May)	106.8	101.0	520.2	509.0	+2.2
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Apr.) (000)	3,189	2,983	12,173	11,231	+8.4
Cigarette cons. (000,000) (May)	1,529	1,265	6,717	6,385	+5.2

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
■New item for week.

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co., and Kippen & Co.)

July 4, 1949

	Bid	Ask.		Bid	Ask.
Allens Toronto Units	45.00	....	Halifax Insurance	8.00	9.50
Anglo Can. Telephone A.	9.25	10.25	Hart Battery Com.	9.50	10.50
Anglo Can. Telephone pfd.	43.50	45.50	Imperial Life	330.00	360.00
Beauharnois L. H. & Pr.	19.75	20.75	Lambton Loan $50 par.	80.00	85.00
Beauharnois Power	7.00	9.50	Laprairie Com.	2.25	4.00
Brinton Peterboro Carpet	81.00	....	Laprairie Pfd.	....	90.00
British Mortgage and Trust	185.00	195.00	Loblaw Groc. Inc.	17.50	18.50
B. C. Sugar	84.00	87.00	Manufacturers Life Ins.	340.00	380.00
Brockville Trust Co. $50 pr.	60.00	....	Monarch Life 30% paid	116.50	....
Canadian Gen. Invest.	15.25	16.00	Mortgage Discount units	2.00	....
Can. Invest. Fund	4.45	4.85	Mountainview Apts. pfd.	24.00	....
Can. Investors Corp.	7.75	8.75	Nat'l Drug & Chem com. N	7.25	8.25
Can. Motor Lamp	10.50	12.00	Nat'l Drugs & Chem. pfd.	10.00	11.50
Can. West Nat. Gas Pfd.	18.50	19.50	N. B. Telephone	11.50	12.50
Capital Wire Cloth com.	12.00	....	Northern Tel. Com.	1.50	2.50
Capital Wire Cloth Pfd.	25.00	....	Ont. & Que. Rly. 5% c stck	145.00	....
Cawthra Apts. Units	15.00	....	Ont. Tobacco Holdings Pfd.	6.00	....
Chase A. W. Units	53.00	....	Peller Brewing Com.	2.25	3.00
Colonial Steamships Com.	118.00	128.00	Peller Brewing Pfd.	16.00	17.50
Commercial Finance Com.	17.50	....	Provincial Bk. of Can.	15.75	16.75
Commercial Life 10% pd.	9.50	....	Prudential Trust	10.00	....
Commonw'lth Inter. Corp.	3.16	3.47	Ritchie Cut Stone Pfd.	7.50	8.50
Con. Life Assoc. 30% pd.	180.00	....	Sawyer Massey Com.	2.75	3.50
Cons. Div. St. Sec. Pfd.	15.00	16.50	Sec. Stand. Royalties Pfd.	.04	....
Continental Life 20% pd.	44.00	....	Seiberling Rubber Com.	5.00	....
Cooksville A	10.00	11.50	Sincennes McNaught. Tugs	2.25	3.00
Cooksville B	4.00	5.50	Sherbrooke Trust	135.00	....
Corporate Investors	7.50	8.10	Sovereign Life 25% paid	46.00	....
Cuban Can. Sugar Com.	2.25	3.00	Standard Fuel Pfd.	37.00	40.00
Detroit Intern'l Bridge	15.50	16.50	Standard Fuel Com.	3.00	5.00
Dover Industries Limited	10.00	11.00	Sun Life Assce.	490.00	510.00
Dupuis Freres Pfd.	22.00	23.75	Thayers Ltd. Pfd.	54.00	57.00
Empire Life Ins. 25% pd.	17.00	19.00	Do. Com.	8.50	....
Do. 20% paid	14.50	....	Third Can. Gen. Inv.	3.50	4.00
Foreign Power Co.	3.00	5.00	Toronto General Ins.	6.00	....
Galt Brass Com.	....	33.00	United Farmers Co-op	....	3.00
Goderich Elevator & Trans.	14.00	15.50	United Steel "A" Pfd.	23.50	25.00
Great West Life	400.00	420.00	Victoria Trust & Savings	135.00	....
Guardian Realty Pfd.	54.00	....	Waterloo Manuf. Com.	6.00	....
Guaranty Co. of N. Amer.	385.00	415.00	Western Assurance Com.	67.00	....
Guelph & Ont. Svgs $50 par	60.00	....	Western Grain Pfd.	19.50	22.00
Gurney Foundry Com.	43.00	....			

Stocks Not Traded This Week (Continued).

	Div. rate $	Last sale	July 8 Bid	Ask
Do. B rts.	1.00	16	14	..
Twin City	..	5½	5½	6½
Un. Amuse. A	1.00	20	30	..
Do. B	1.00	28	..	..
Do. A V.T.	1.00	30	30	35
Un. Fuel B pref.	..	18½	18½	..
United Secs.	..	12	12	17½
Viau Ltd.	5.00	101	101	..
Viceroy	.80	10½	9½	12
Waterous Ltd.	.80	8½	..	8½
Do. A	.80	11	..	11
Westeel	2.00+■.50	38½	28½	39½
West. Grain	..	1.00	1.00	..
Do. pref.	..	30	..	24
West. Grocers pf.	1.40	31	30	31
West Koot. pref.	7.00	175	..	..
W'minster Pap. A	.30	8.50	..	9.00
Do. B	■.07½	2.30	2.37½	3.00
Willson Stat.	..	9.30	8.75	9.75
Do. pref.	5.00	91	96	..
J. C. Wilson	.60++■.10	11	11	11½
Wood, A. & J. P.	‡7.00	115	115	118
Woods Mfg. pref.	2.00	27	27	..
Wool, Combing	1.60	18	18	19
York Knit. A.N.	.46	6½	6½	7
Zellers 6% pref.	1.50	28½	28	..

♦Plus extras. ■Paid or payable in 1949. *On arrears. †Paid in 1948. ▲N. Y. funds. ‡Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ▲▲Participating div.

	Div. rate $	Last sale	July 8 Bid	Ask
Soma Duv.	...	.04	.04	.08
S. American G.	*†.25	1.10	..	..
Star Lake	...	.01	.00½	.01
Steeloy	...	.04	.04½	.05
Surf. Inlet	...	.05	.05	.08
Taku	...	.20	.18½	.23½
Temiskaming	...	.07	.05½	.07
Toburn Gold	...	.40	.50	.57
Tombill	...	.07	.07	.09
Utica	...	.06½	.06½	.08
Vicour	...	.06	.06	.07
West Mal.	...	.06½	..	.08½
Winchester	...	.06	.05½	.08
Winnipeg R. Tin	...	.02½	.01½	.02½
Winora	...	.04	.04	.05
Yukon Cons.	...	.50	.45	.57
—OIL STOCKS—				
Admiral	...	.04	..	.05
Coastal	...	.25	.24	.30
Commoil	▲.00½	.36	.35	.40
Federated P.	†.03	.60	.50	.70
Foothills	.25	2.60	2.55	2.70
General P.	▲.02	.84	.80	.83
Do. A	▲.02	.76	.80	.83
Lowery	...	.40	.41	.50
McLeod	...	.04½	..	..
Midland P.	...	.27	..	..
New Ranch	...	.02½	.02½	.03
Oil Selections	...	.03½	.03½	.04
Petrol Oil	▲.03	.15	.12	.15
Richfield	...	.01½	.02	.02½
Royal Crest	...	.04½	.03	..
Share Oils	...	.07	.06½	.07½
So. West Pete.	...	.21	.26	.35
Three Point	...	.08	.06	..
Texas Can.	▲■1.75	.63	.50	1.00
Turner V.	...	.08	.10	.20
Vanalta	...	.25	.23½	.26
Vul. Brown	...	.15	.11½	.15
Wellington	...	.04	..	..

▲Paid or payable in 1949. †Paid in 1948. ‡Paid in 1947. *N. Y. funds. ■Capital distribution.

Mining Stocks

	Div. rate $	Last sale	July 8 Bid	Ask
Amer. Neph.	...	.25	..	.30
Ansley	...	.02½	.02	.04
Band Ore.	...	.04½	.06	.08
Beatrice	...	.04	.04	.04½
Belleterre	▲.10	6.00	..	6.30
Berens River	...	.35	.25	.49
Bonetal	...	.14	.13	.16
Bouscadillac	...	.04	.03½	.05
Brazil Gold	...	.03	.02	.04
Bridge River	...	.03	.03	.04
B.R.X. Con.	...	.08	.07	..
Bruce Cons.	...	.02	.00½	.03
Bunker Hill	...	.04	.03½	.04½
Callinan	...	.05½	.05½	.07
Celta Devel.	...	.05	.02	..
Cent. Manitoba	...	.05	.05	.06
Century	...	.06	.05	.06
Cons. Lebel	...	.05	.08	.10
Croinor	...	.50	.41	.56
Cuyuni	...	.30	.32	..
Cryderman	...	.01	.00½	.01½
Dickstone C.	...	.03	.02	..
Flin Flon	...	.01½	.00½	.01½
Fontana '45	...	.03	.03	.03½
George Copper	...	.04	..	..
Golconda	...	.27	.28	..
Goldbeam	...	.05	.04½	..
Gold Crest	...	.10½	.10	.14
Gold Eagle	...	.03	.03	.03½
Gold Lake	...	.02	.00½	.02
Golden A.	...	.05½	.03½	.06
Goodfish	...	.02½	.02½	.03
Graham B.	...	.10½	.10	.16
Grandoro	...	.15½	..	.17½
Grandview	*†.02	.13	.11	.15
Great Falls	...	.03	.00½	.04
Grull Wihksne	...	.03	.03½	.04½
Halcrow Swayze	...	.04	.04	.05
Headway	...	.03½	.04	.05
Heath	...	.07	.06	.08
Hoyle	...	.23½	.13	.20½
Indian L.	...	.04	.04	.05
Int. Mining	...	4.75	4.10	..
Island Lake	...	.00½	.00½	..
Jack Lake	...	.02½	.02½	.03½
Jacola	...	.03	.02	.02½
Kenville	...	.06	.06	.10
Kerr Lake	*†.05	.50	.50	.59
Kirk. Town	...	.11½	.12½	.13½
Lake Rowan '45	...	.07½	.07½	.08½
Lunward	...	.15	.12	.19
Martin McN.	...	.03½	.03½	.04
Mentor Explor.	...	2.25	1.50	2.50
N. Louvre	...	.03	.03½	.04½
Nipissing	...	.90	.85	.97
Norgold	...	.06	.02½	.05½
Normandy	...	.02	.01½	.03
North. Empire	†.07	1.71	1.65	2.00
Pacific East	...	.05	.05	.07½
Packsack	...	.02	.01½	.02½
Partanen Mal.	...	.02	.02	.02½
Pato Cons. G.	▲.05	4.00	3.90	4.00
Pitt G.	...	.04½	.04	.05½
Placer Devel.	.50	14.12½	14.50	..
Que. Yk.	...	.03	.03½	.06
Red Cloud	...	.02	.00½	.01½
Red Crest	...	.02½	.03½	.04
Renabie	...	2.00	..	2.25
Rice Lake	...	.01	.00½	.02
Ryanor	...	.06	.05½	.12
Scotia Gold	...	.00½	.00½	.01
Shawkey '45	...	.13	.12	.18
Silver Ridge	...	.09	.09	.11
Silv. Stand.	...	.19	.18	..

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
July 11	175,100	620,000	65,950	17,147	820,000
July 9	......	......	......	......	......
July 8	164,800	1,134,000	93,020	22,730	790,000
July 7	153,100	697,000	62,250	30,412	1,060,000
July 6	142,700	885,000	104,655	21,380	1,370,000
July 5	177,100	1,062,000	60,300	26,800	770,000

Record of Financing

MUNICIPAL

Edmonton Roman Catholic Separate School District No. 7, Alberta — 3¼% & 3½% debentures, due June 15, 1950-59-69, $250,000 issued June 17, 1949. Sold at $99.077 to Nesbitt, Thomson & Co. Ltd. & Tanner & Co. Ltd.

Town of Simcoe Roman Catholic Separate School Board, Ont.—3½% debentures due July 15, 1950-69, $37,000 issued June 29, 1949. Sold at $99.75 to Bankers Bond Corp. Ltd.

Township of Nepean, Ont. — 2½% & 3% debentures, due July 1, 1950-59-69, $402,600, issued June 27, 1949. Sold at $98.948 to Gairdner & Co. Ltd.

Township of Pickering, Ont. — 3% debentures, due Aug. 1, 1950-69, $50,000, issued June 27, 1949. Sold at $98.21 to Canadian Bank of Commerce.

Town of Mahone Bay, N.S. — 3% debentures, due July 1, 1950-64, $15,000, issued June 29, 1949. Sold at $99.06 to Dominion Securities Corp. Ltd.

Township of Langley, B.C. — 3% debentures, due July 2, 1951, $30,000, issued June 29, 1949. Sold at $100.97 to Royal Bank of Canada.

Town of Montreal-South, Que. — 3% & 3½% debentures, due Apr. 1, 1950-54-69, $95,000, issued June 29, 1949. Sold privately at $95.

Village of St.-Remi, Que. — 3½% debentures, due June 1, 1950-69, $40,000, issued June 29, 1949. Sold privately at $99.

Town of Ste-Foy, Que. — 3% & 3½% debentures, due May 1, 1950-59-64, $25,000, issued June 29, 1949. Sold privately at $98.

Company Meetings

1949	Company	Place
July 8	Calgary Pwr.	Montreal
July 8	Quality Steels	Toronto
July 12	Coin Lake G.M.	Toronto
July 12	Hillcrest Coll.	Montreal
July 12	C. W. Lindsay	Montreal
July 15	Hudson's Bay	London, Eng.
July 15	New Pacalta Oils	Toronto
July 18	Madsen Red L. G. M.	Toronto
July 20	Gen. Bakeries	Toronto
July 20	Stand. Chem.	Toronto
July 20	Stand. Radio	Toronto
July 21	Privateer M.	Vancouver
July 25	Legare Co.	Montreal
July 26	McDougall-Segur	Calgary
July 26	South Brazeau Pet.	Calgary
July 29	Yukon Cons. G.	Toronto

Government Bonds

July 12, 1949 (Supplied by Investment Dealers Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ..	♦101⅞	102⅛
3	Mar. 1954 ..	♦103⅛	103⅜
3	Nov. 1956 ..	♦103¼	103⅝
3	May 1957 ...	102	102⅞
3	Jan. 1959 ...	102	102⅞
3	June 1960 ...	101⅞	102⅜
3	Feb. 1962 ...	101	101⅞
1½	Nov. 1950 ...	100	100⅛
3	Oct. 1963 ...	100⅞	101⅜
3	Sept. 1966 ...	100⅞	101⅜
1½	Nov. 1949 ...	100	100⅛
Dom. of Canada Bonds:			
3	June 1958 ...	102	102⅛
3½	Feb. 1952 ...	102⅛	102⅞
2	Oct. 1952 ...	100⅛	100⅞
3	June 1955 ...	100⅛	101⅛
4½	Nov. 1959 ...	100⅞	101⅛
3½	June 1966 ...	102⅞	103⅛
3	Perpetual ..	†100	100⅞
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101⅛	102⅛
4½	Sept. 1951 ..	■104⅞	106⅛
4½	Feb. 1956 ..	■117	120
4½	July 1957 ..	■119⅛	122
5	Oct. 1969 ..	*■105	106⅛
5	Feb. 1954 ...	110⅛	111⅞
5	Feb. 1970 ..	*■106	107⅛
4½	June 1955 ..	■117⅛	120
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	■118⅛	120
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	■107	109
4	Jan. 1962 ..	■116⅛	119

%	Due	Bid	Ask
Montreal Harbour Comm.:			
5	Nov. 1969 .	■*105	106⅛
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64	100⅛	102
3½	June 1959 ...	105⅛	107⅛
3½	June 1959 ...	105⅛	107⅛
3½	June 1950/71	100⅛	102
British Columbia:			
2½	Jan. 1967 ...	93⅛	95⅛
4½	Jan. 1969 ..	♦126⅛	129
5	Apr. 1954 ..	♦116	118⅛
5	Sept. 1953 ...	106⅞	108⅛
3	Dec. 1960 ..	99	100⅛
4	Dec. 1957 ..	♦113	115⅛
Manitoba:			
4	Dec. 1957 ..	♦112⅛	115⅛
4½	Dec. 1956 ..	♦116	118⅛
5	Dec. 1959 ..	■122⅛	125
2½	Aug. 1962/64	93⅞	95⅛
5½	July 1958 ...	116⅛	119
New Brunswick:			
4½	Apr. 1961 ..	♦115⅛	118⅛
5	Jan. 1960 ..	♦119	121⅛
2½	June 1968 ..	89	91
3½	Oct. 1960 ...	97⅛	98⅛
Nova Scotia:			
3½	June 1956 ..	100⅞	102⅛
4½	Nov. 1960 ..	♦119⅛	122
5	Mar. 1960 ..	♦123⅛	126
3	June 1956/58	99⅞	101⅛
2½	Sept. 1966 ..	93⅛	95⅛
3½	May 1960/62	100⅛	101⅞

%	Due	Bid	Ask
Ontario:			
2½	Nov. 1963/69.	94⅛	96
3	Apr. 1962/65.	99	100⅛
3½	May 1952/55	102	103
4	June 1962 ..	■117⅞	120⅛
4½	June 1950 ..	102	103
4½	Jan. 1962 ..	■123	125⅛
5	Dec. 1960 ..	■127	129⅛
2½	July 1967/76	92⅛	95
Ont. Hydro Commission:			
4	Aug. 1957 ..	■114	116
2½	June 1961/71.	93⅛	95
2½	Oct. 1965/68.	94	95⅛
Prince Edward Island:			
4	Mar. 1951/54	101	102⅛
Quebec:			
3½	Mar. 1954/59.	102⅞	104⅛
3½	Feb. 1953/55	103	104⅛
4½	Aug. 1958 ...	108⅞	110⅛
4½	Jan. 1963 ..	113⅞	115⅛
3	Feb. 1960/62	99	100⅞
4	Nov. 1950/52	102⅛	103⅛
Quebec Hydro Commission:			
3	Feb. 1960/73	97⅛	98⅞
Saskatchewan:			
4	Nov. 1955/60.	98⅛	100⅛
5	Aug. 1958 ...	105	107
4½	Mar. 1960 ..	♦109	111⅛
5	Dec. 1959 ..	♦111⅞	113⅞
5½	Oct. 1952 ...	104⅛	106
6	Mar. 1952 ...	105	107
3	Mar. 1963 ..	90	92
3½	Nov. 1960/62	91⅛	93
3½	Feb. 1960/62.	95⅛	97

♦Callable on or after earliest maturity shown & payable at maturity at 101. †Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y. ■ Payable Can., N. Y. or £. *Callable at a premium.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	10	4	5	10	15	10	16	12	8	16	106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	96.4	75.9	214.3	115.2	294.5	143.0	106.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.3	205.9	112.6	276.1	137.4	106.4	131.0	112.7	106.4
Apr.	211.9	234.2	88.4	70.8	205.7	111.9	274.4	129.8	109.7	132.4	115.7	106.4
May	208.4	227.4	84.2	70.2	204.2	112.8	275.7	136.3	107.4	132.4	113.5	105.3
1949: Weekly Figures:												
June 2 ..	186.7	212.5	83.3	64.7	198.4	113.5	268.9	131.3	104.4	130.2	109.5	100.5
June 9 ..	186.0	209.2	84.3	63.5	195.6	111.9	267.2	130.7	103.6	132.0	109.3	99.3
June 16 ..	177.3	208.8	84.3	63.3	195.2	110.5	266.4	128.3	102.8	130.8	107.9	98.5
June 23 ..	180.0	210.4	87.0	63.5	195.6	112.0	279.9	132.5	104.1	131.4	109.3	99.6
June 30 ..	183.3	212.3	87.6	64.1	195.1	111.1	284.0	133.6	105.8	130.6	110.2	100.1
July 7 ..	196.4	219.5	89.7	65.8	199.2	111.2	286.9	136.3	107.7	129.7	111.3	102.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
July 11	168.21	98.48	90.55	43.40
July 9	.....	.....	.....	.....
July 8	166.81	98.70	90.78	43.30
July 7	165.82	98.50	88.85	43.41
July 6	165.43	98.36	87.70	42.91
July 5	163.51	99.69	88.68	41.60
Month ago ..	159.32	90.45	79.44	40.82
Year ago	185.17	85.21	89.75	41.83
1949 High ...	182.74	104.72	110.34	58.43
1949 Low ...	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
July 11 ...	71.7	117.0	101.9	275.33	64.68
July 9 ...	...	.....	.....	.....	.....
July 8 ...	71.7	116.9	101.9	277.30	64.38
July 7 ...	71.5	115.6	100.9	273.56	65.16
July 6 ...	71.5	115.5	100.8	272.79	64.76
July 5 ...	71.3	114.3	99.9	266.17	65.25
Month ago	70.7	109.7	96.7	252.14	61.12
Year ago .	77.0	134.0	116.0	375.21	57.28
1949 High .	73.9	132.4	112.9	342.31	69.50
1949 Low .	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indus.	20 Rails	15 Util.	65 Stocks
July 11	170.81	42.92	35.08	60.59
July 9	.....	.....	.....	.....
July 8	170.92	43.19	35.03	60.68
July 7	171.01	43.42	34.95	60.74
July 6	170.63	43.71	34.96	60.77
July 5	169.02	43.29	34.69	60.21
Month ago ..	161.60	41.03	34.00	57.75
Year ago	191.48	64.82	36.01	71.85
1949 High ...	181.54	54.29	36.38	66.18
1949 Low ...	161.60	41.03	33.36	57.75

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 12, 1949

Public Utility Issues:	Rate %	Due	Bid	Ask	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	66½	69½	67
†Assoc. Tel. & T.	5½	'55	107	...	106
Bell Telephone	3	'77	96½	98½	96½
B.C. Electric ...	3½	'67	92½	95½	92½
Calgary Power .	3½	'72	96	...	96
East Kootenay .	3½	'67	89	92	89
▲Gatineau Pr. D	3½	'70	100	103	100
*Do. C	3	'70	98	101	98
Gt. Lakes Pwr.	3½	'67	97	100	97
*Int. Hydro-El. .	6	'44	60	...	60½
L. St. Law. Pwr.	3½	'65	94½	97½	94½
Maclaren-Quebec Power	3	'69	94½	97½	94½
†Mtl. Trams. A .	5	'55	92	95	92
Nat. Lt. & Pwr.	4½	'61	100	...	100
Nor. Que. Pwr.	4½	'67	98½	101½	98½
Ott. L.H. & Pr.	4	'57	100	...	100
Power Corp.	3½	'67	95½	98½	95½
Quebec Power .	3	'62	97½	100½	97½
Saguenay Pwr..	3	'71	99½	...	99½
St. Maurice Pr.	3½	'70	98	101	97½
Shaw W. & Pr.	3	'61	98½	101½	98½
Shaw W. & Pr.	3	'71	95	98	94½
Do.	3½	'70	99½	102½	99½
Union Gas	4½	'50	100½	...	100½
Un. Fuel Invest.	4	'59	101	...	101
United Secs. ...	3	'52	99	...	99
Wpg. Electric ..	3½	'71	101½	104	101½
Industrial Issues:					
Abitibi Pr. P. .	3½	'67	97½	100½	97½
Acadia-Atlantic Sugar	3½	'65	101	...	101
Aluminum Co. .	3½	'74	102	...	102
Bathurst P. & P.	3½	'68	98½	101½	98½
B.C. For. Prod.	4	'66	90	93	90
B.C. Pulp & Pa.	3½	'67	93	96	93
Bowater's Nfld. P. & P.	3½	'68	94½	97½	94½
Brompton Pulp & Paper	3½	'66	93	97	92½
*Brown Co.	5	'59	90	93	90
Burns & Co. ..	4	'63	97	100	97½
Can. Steamship	3½	'57	99	102	99
Can. Brew.	3½	'67	91½	94½	91½
Can. Celanese .	3	'62	97	...	97
Can. Oil	3½	'62	97	100	97
Can. W. Lum. .	4	'62	100	103	100
C.P.R.	3½	'51	101	...	101
C.P.R.	4	Perp.	105	...	105
Cockshutt Plow Co.	4½	'65	100	103	100
Columbia Cell..	5	'68	99	102	99
Consol. Paper .	3½	'67	101	103½	101
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	100½	...	100½
Dom. Textile ..	3½	'59	101	...	101
Dom. Woolens .	5	'64	100	103	100
Dryden Paper .	4	'61	100½	...	100½
E. B. Eddy	3½	'66	98½	101½	98½
E. B. Eddy	4	'66	101½	104	101½
English Elec. ..	4	'67	96½	99½	96½
Federal Grain .	4	'64	98	101	98
Gt. Lakes Pap. .	3½	'67	99½	...	99½
Imp. Tobacco ..	2½	'66	96	...	96
Indust. Accept..	3½	'68	95	98	95
Lake St. J. P. .	5	'61	101½	104	101½
Lang, John A. .	4½	'62	101	...	101
Laurentian Silk	4½	'67	99	...	99
MacMillan (H. R.) Ex.	4	'65	101	...	101
Maple L. M. ...	3½	'63	96	99	96
Massey-Harris .	3	'66	94½	97½	94½
Do.	4½	'63	100½	103½	100½
McColl-Front. .	3	'71	94½	97½	94½
Mercury Mills .	4	'63	99	...	99
Monarch Knit. .	4	'66	100	...	100
Morgan (Henry) Prop.	3½	'67	99	...	99
N.S. Steel Coal.	3½	'63	98	101	98
Penman's	3½	'66	99½	...	99½
Price Bros. ...	3½	'66	99½	102½	99½
Silv. Dairies ...	4	'60-64	96	99	96
Do.	4	'71	87	90	87
Simpsons Ltd. .	3½	'60	101	104	101½
Stl. Co. of Can.	2½	'67	94	97	94
Tor. Elevators .	3½	'66	98	101	98
United Corp. ..	4	'58	100	...	100
United Steel ...	4	'60	99½	...	99½
Un. Grain. Gr. .	4	'63	100	...	100
†Western Grain .	5	'63	83½	87	83½
York Knit. Mills	3½	'71	89	92	89

*Payable in Canada or United States.
•Payable in United States.
†Payable in Canada, U. S. or U. K.
♦Payable in Canada only.
▲Payable in Canada or U. K.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$21.25	$21.02	$19.22
Hogs	30.60	29.60	31.35
Copper, lb.	.16	.16	.21½
Sugar, raw, lb. .	.0535	.0540	.0510
Coffee, lb	.27¼	.27⅛	.26⅝
Hides	.23½	.23½	.29½
Weekly Indices			
U. S. Labor	152.7	152.9	167.2
Dow Jones	127.58	125.95	152.83
Fisher's	161.6	162.2	174.4
Monthly Indices			
Retail (June)†	160.5	159.5	154.3
W'sale (May) ...	156.4	157.5	150.4
U. S. (Apr.)	156.9	158.4	162.8
Gt. Brit. (Apr.)	226.5	220.5	219.3

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Union Gas	4½%	1950	July 20	101
■Mont Tremblant Lodge ser. A	3½-4½%	1949-59	July 15	102

▲$250,000.
■$30,000.

Unlisted Mines, Oils

Approximate quotations, 2 p.m., July 11, subject to confirmation and changes:

	Bid	Ask
Abenakis	3	5
Advance	3	4
Alexander	4	6
Aljo	1	2
Ama Kir	5	7
Anna'que	1½	2½
Arctic	9	11
Argonaut	1½	2½
Audley	1½	3
Auterra	1	3
Aurora Y	—	9
Baker	1	1½
Barb L N	2	4
Batch R	—	30
Beaulieu	3	4
Beauriv	5	7
Bi Ore	20	25
Blondor	1½	2½
Bouzan	8	10
Bour C	1½	3
Bradnor	1	3
Braminco	17	—
Br Breest	1	2
Bravo	1	2
Bright RL	2	3
B McDade	7	9
Bulldog	28	31
Burley Po	1	2½
Camlaren	3½	4½
Camray	34	36
Captain	4	6
Carricona	½	1½
Cassidy	2	3
Cent M	5	6
Cock RL	2	4
Columbier	1	2
Con Chib	16	19
Con Cop	7	8
Courageo	1	2
Craibbe	4	6
Croydon	2½	4
Cuyuni N	32	38
Delhi	—	12
Derlac	1½	2½
De Sant	2	4
Dickenson	17	19
Dom Mal	1	2
Dona Pat	1	2
Durham	9	12
Doris	1½	2½
Echo Ind	2	3
Elmac	2	3
Erin Kirk	1	2
Flicka	1	2
Forty Four	93	100
Gan Cop	3½	5
Geneva L	7	9
Gilbec	1	2
Goldpac	10	15
Goodrock	1	2
Gord Lebel	1½	3
Gov Gold	3½	5
Grnd Chib	10	15
Greenlee	7	8
Grndhog	5	10
Halden	3	5
Habitant	2	3
Harp Mal	1½	2
Hornfault	6½	8
Hayes Cd	½	2
Hugh Pam	8	9
Independ	4	5
Islepines	30	33
Joannes D	1	2
Kamlac	14	17
Ken Bay	3	5
Kenda Pe	5	7
Kenroy	½	1½
KiKngdon	—	20
L Expanse	6	8
Lar-Add	1	2
La Salle	5½	7
Lavalie	2	3
Legardo	½	1½
Lennie	1½	3
Le Pine	1	5
Louvore	½	1½
Mallen RL	2½	4
Marbenor	6	8
Marquette	½	1½
Mar Bird	3½	4½
Mary Ann	2½	3½
Mat Con	30	35
Metalore	3	4
Mate Yel	3½	4½
Miles RL	3½	5
Mindus	13	16
do vt	9	12
Mink	3½	4½
Mistassini	3½	4½
Moffatt H	½	1½
Mohawk B	1	2
Murbell	1	2
Murmac	16½	18
McManus	4	6
McCuaig	3½	4½
Nat Mal	15½	17
Nayb '45	2	4
Newcore	4	6
New Aug	14	16
New Mal	2	3
Nickel L	5	7
Nisto	32	34
N Offsets	200	250
Norbeau	50	55
Norbec	9	11
Norcourt	3	4
Norfold	1½	2
Normar	2½	3½
Nortyne	1	3
Novele P	3	4
Obalski old	2	4
do '45	8	11
Obaska	6	8
Oklend	2½	3½
Olivet	1½	2½
Opemiska	7	10
Ortona	4	5
Pascalis	13	16
Pelangio	3	4
Payne	4½	6
Phelps	1½	2½
Pinnacle	1	2
Poona Go	½	1½
Presdor	2	3
Privateer	13	16
Pro Divers	34	36
Quejo	3½	4
Quest	2½	4
Rand Mal	8	10
Rajah R L	1	3
Raymond	1½	2½
Randona	2½	4
Rebair	—	13
Redruth	1	3
Redwood	6	7
Richgroup	3	7
Russet	3½	5
Rhyolite	2	3
Salmita	2	4
Santiago	6	8
Sepha	1	2
Sheldon	14	17
S Dufait	—	5
Silv Arro	1	3
Sovereign	4	6
Skynner	1	2
Starlight	2	4
Sun Bear	4½	6
Thornhill	1	2
Tiffany	1½	3
Tobico	1½	2½
Tovarich	1	2
Viking	14	18
Val d'Bel	½	1½
Vinray	2	3
Walcoro	4	6
Wesley	½	1½
West RL	1½	2½
Wilwood	1	2
Y Davids	18	20
Yelknife	140	165
do vt	135	175
Zolota	8	10
OILS		
Franco	50	57
Granleduc	23	27
Home Oil	950	975
Jupiter	11	14
Lingnora	5	7
Major Oil	2½	3½
Nw Ranch	2	3
Pac Oil Re	—	4
Princess	19	20
Universal	2	3
Vermilion	35	45
Westlock	10	12

Municipal Bonds

July 12, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria ...	3¾	'55-66	97	99¼	3.79
Vancouver .	3	'67	90	92¼	3.58
Calgary ...	3½	'62	98	101	3.44
Edmonton .	3½	'60	98	101	3.39
Regina	3	'64	90	93	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg .	2¾	'66	92½	95	3.12
Ottawa	3	'54	101½	103½	2.43
Toronto ...	2¾	'72	92	95	3.11
Hamilton ..	3	'60	98½	100½	2.94
Windsor ..	2⅛	'73	72½	75½	4.00
Quebec	2¾	'66	90	93	3.38
Halifax ...	3	'66	92	95	3.31
Saint John	3½	'65	98	101	3.34
Windsor ...	2¾	'75	76	79	4.00
Windsor ...	3¼	'75	88½	91½	4.00
Montreal ..	3	'70	90	93	3.38

Investment Trust

	Bid	Asked
Affiliated Funds	3.45	3.78
Can. Int. Trust	4.50	5.26
Can. Invest. Fund	4.45	4.85
Can. Invest. Corp.	7.75	8.75
Commonwealth Int.	3.18	3.49
Corporate Invest.	7.69	8.25
Trans-Canada	13.15	....
Do. B	....	13.70

PAN WESTERN OILS reports that a new financing agreement has been entered into with Owen Investors as of July 8, 1949, under which 250,000 shares have been underwritten at 10 cents a share payable forthwith; 900,000 shares are optioned at 15 to 25 cents a share. Upon issue of underwritten shares, issued capital will be 2,250,030 shares, leaving 1,249,970 in treasury.

Market Comment

What stocks and bonds are doing and what prominent observers say

Good and bad news continues to fight for prominence on the investment front. Further restrictive trade measures by the hard-pressed U. K. Government may strike still deeper at dwindling export sales of many Canadian companies.

On the brighter side of the picture is the sharp reversal of the price pattern for copper and lead. At midweek, however, the Toronto Stock Exchange base metal index had advanced only a little over four points from announcement of first price increase on copper last week.

Golds continued to hold firm despite Sir Stafford Cripps' refusal to consider devaluation of sterling. At midweek the T.S.E. gold index was at practically the same point as when the U. K. stand on devaluation and gold was announced.

For almost three weeks now, industrial stocks have been climbing back from mid-June lows. In the entire recovery period, however, volume has continued low and at no time reached the daily proportions accompanying some of the worst mid-June days. This is a strong technical indication casting considerable doubt on the strength of the current upturn.

* * *

H. J. BIRD & CO. (Vancouver)

We commend the many sound stocks of the largest and strongest companies in Canada, with a long record of unbroken dividend payments over a period of 20 or more years. We believe that the time is now opportune for investors to commence a buying program by selling a portion of their reserve fund in bonds, which we have consistently advised holding for such a market opportunity as now exists. We recommend these stocks for income:

	Recent Price	Approx. Yield
Aluminium Ltd.	$41½	6.6%
Bell Tele. Co. of Can. ..	40½	5.0%
Can. Breweries	19¾	10.1%
Can. Celanese	19¾	7.0%
Can. Pacific Rly.	12⅛	10.0%
Consolidated Paper	14	12.0%
Distillers Seagrams	16	6.6%
General Steel Wares	14	7.0%
Indust. Acceptance	22¾	6.5%
Intl. Nickel	29¾	6.6%
Noranda Mines	53¼	7.5%
Ogilvie Flour Mills	22	4.5%
Shawinigan Water & Pr.	22¾	5.1%
Sick's Breweries	17	6.2%
Steel Co. of Canada	80	5.0%
Hiram Walker G. & W.	26	7.7%
Average yield on above 16 stocks .		7.1%

* * *

CRABTREE & McLAUGHLIN (Montreal)

In gauging major market turns, it is almost invariably more profitable to look for first indications of changing trend within the market itself rather than in the economic outlook which is bound to be confusing at such a time. The current pick-up in demand for stocks is significant because it takes place against a background which has been strongly suggestive that the market has more than discounted the worst that is likely to happen and that liquidation has exhausted its ability to drive prices much lower.

* * *

MOSS, LAWSON & CO. (Toronto)

In the face of repeated statements by Sir Stafford Cripps that the British dollar crisis will not force devaluation of sterling, the consistent refusal of gold stocks to weaken in price can only mean that informed opinion believes that sterling will be devalued and/or the price of gold raised.

* * *

A. H. BOLTON: Bolton, Tremblay & Co. (Montreal).

In viewing the position of equities, there is very little in the outlook today which was not apparent six months ago. Business recession was forecast then, and has since become a fact — more marked in U. S. so far than in Canada.

What is not realized, however, is the extent to which the inventory situation is being taken care of. Commercial loans (U. S.) are now down $2 billions since March 1st from $15.2 to $13.2 billions—one of the fastest drops in history amounting to 13% in four months.

Looking back over past recessions and depressions, we find that the fastest decline in 1920-21 was 9% in any four months' period; in 1929-33, 17% at the time of bank holiday; in 1937-38, 11%; in 1942, 9%. In each of these prior periods the rapid rate of decline in commercial debt heralded the end of the bear market, and the change in trend of equities coincided with these periods.

Today, the investor can look around with a great deal of confidence if he looks below the surface; and he has an almost unique set of circumstances: (a) a culminating rapid decline in debt; (b) stock prices at very low times-earnings either in terms of present prospective or average earnings; (c) relatively secure dividends; (d) abnormally high yields; (e) an overly attractive stock-to-bond-yield ratio. There should therefore be little incentive on the part of the far-seeing to prefer cash to equities.

* * *

BARRON'S The Trader (New York)

In three weeks, stocks have made up practically all of the loss following Decoration Day. Break-through of the pivotal 163 for the industrial-share average, which represented the support level for 46 months after V-J Day, proved only an incident. Despite the let-down since Autumn in general business, prosperity still obtains in the all-important automobile industry, and evidences of recuperation have appeared in such depressed lines as rayons and non-ferrous metals. Meantime, on the basis of five-year average earnings, stocks have never been cheaper except at the very bottom of the 1942 bear market.

* * *

New Highs & Lows

During the week ended July 8, five new highs were recorded among the general stocks on Canadian Stock Exchanges and 24 new lows. In the mining group there were 14 new highs and 11 lows. In the western oil group there was one new high and five new lows.

GENERAL

New Highs—1949

Crescent Creamery
Dom. Textiles Pfd.
General Prod. "A"
North Star Oil
Union Gas

New Lows—1949

Auto Fabric "A"
Belgium Glove
B. C. Pulp & Pap Pfd.
Can. Machine
Candn. Bronze
Candn. Cottons
Candn. Fire
Candn. Lt. & Pwr.
Cons. Lithograph
Cons. Textiles
Dom. Glass Pfd.
Donnacona Pap. pf.
Foundat'n Cos. Pf.
Goodyear Tire
Gt. Lakes Pap. Pfr.
Intercolonial Coal
C. W. Lindsay
Mailman Corp.
Massey-Harris Pfd.
Milton Brick
Robinson Little
Sherwin-Williams
Stand. Chem. Pfd.
Wilsils

MINING

New Highs—1949

Anglo-Rou.
Bralorne
Cochenour
Coniaurum
Jacknife
Jellicoe
K. Addison
Lamaque
McK. R.L.
Mosher L. L.
O'Leary
Pac. Nickel
Prospectors
Tiblemont

New Lows—1949

Bonville
Cart. Mal.
Centramaque
Citralam
Coast Cop.
Coniagas
High Bell
McLellan C.
Quatsino
Q. M'gese
Vananda '48

OILS

New Highs—1949

Flank P.

New Lows—1949

Mill City
Model
Nerdon
Royal Can.
Vulcan

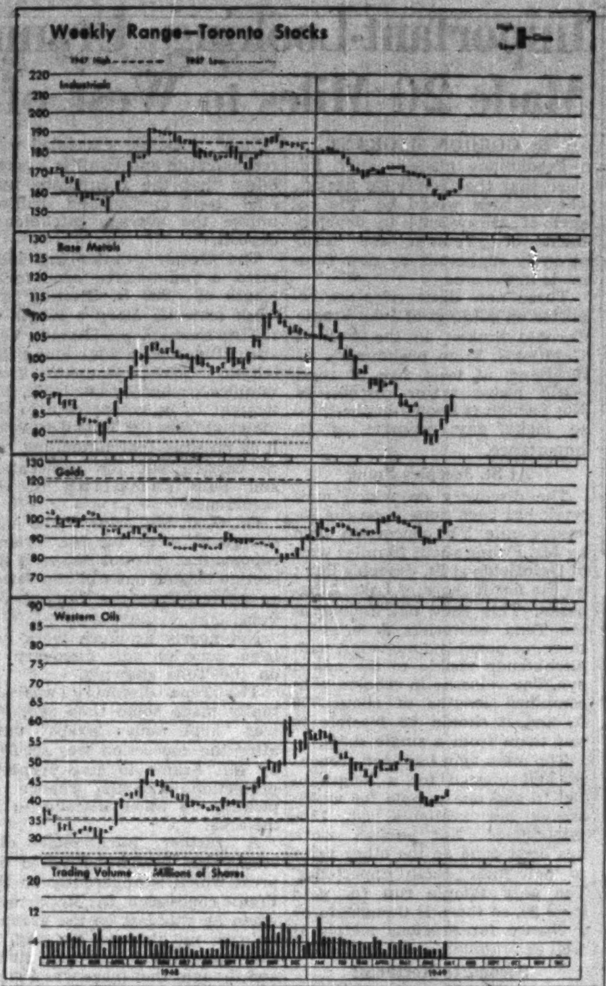
Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap. $2.50 pfd.	■.21	Aug. 1	unstated
Agnew-Surpass	.15	Sept. 1	July 29
Aluminium pf. ...	.25	Sept. 1	Aug. 3
Anglo-Huronian ...	.15	July 28	July 4
Anglo-Can. Tel. pf.	.56¼	Aug. 1	July 8
Argus Corp.	.15	Sept. 1	July 29
Do. pfd.	1.12½	Sept. 1	July 29
Asbestos Corp. ...	.30	Sept. 30	Sept. 8
Atlas Steels	.25	Aug. 1	July 5
Ault & Wiborg 5½% pf.	1.37½	Aug. 2	July 15
Bk. of Nova Scotia	.30	Aug. 1	June 30
Barber Ellis pfd. ..	1.75	July 15	June 30
Bathurst Pwr. & Pap. Cl. A	.37+.12½	Sept. 1	Aug. 2
Beaver Lumber	.50+.50	Aug. 1	July 10
Do. A	.25	Oct. 1	Sept. 10
Do. pfd.	.35	Oct. 1	Sept. 10
Beld.-Cort.	1.50	Oct. 1	Aug. 31
Do. pfd.	1.75	Oct. 1	Aug. 31
Bell Tel.	.50	July 15	June 15
Biltmore Hats	.10	July 15	June 30
Do. A	.25	July 15	June 30
Blue Ribbon pfd. ...	.62½	Aug. 1	July 21
B. C. Elec. 5% pf.	2½%	July 15	June 30
B. C. Forest	.15	Aug. Coup. 4-xc	July 29
B. C. Power A	.40	July 15	June 30
B. C. Pulp & Pa. pf	1.76	Aug. 1	July 15
B. C. Tel. 6% 2nd pfd.	1.50	Aug. 1	July 15
Do. 4½% pfd. ...	1.18¾	July 15	June 30
Brant. Cord.	.12½	July 15	June 20
Do. pfd.	.32½	July 15	June 20
Brantford Roof. ..	.50	Aug. 2	July 15
Bralorne M.	.10	July 15	June 25
Burns Co. A & B ..	.30	July 28	July 7
Do.	.30	Oct. 28	Oct. 7
Butterfly Hose ...	.25	Sept. 15	Aug. 15
Do. pfd.	3.50	July 30	June 30
Caldwell Linen	.20	Aug. 1	July 15
Do. 1st pf.	.38	Aug. 1	July 15
Do. 2nd pf.	.20	Aug. 1	July 15
Can. Cr. Stone ..	.15	Sept. 20	Sept. 1
C. Fdry. & Forg. A	.37½	Sept. 15	Aug. 29
Can. Nor. Pwr.	.15	July 25	June 20
Can. West. Cord. A	.12½	Aug. 1	June 30
Candn. Bk. of Com.	.20	Aug. 1	June 20
Can. Bronze	.31	Aug. 1	July 11
Do. pfd.	1.25	Aug. 1	July 11
Candn. Conv. A ...	.18¾	July 30	July 6
Candn. Dredge	.25	Aug. 2	July 6
Do.	.25	Nov. 2	Oct. 6
Do.	.25	Feb. 2	Jan. 6
Do.	.17½	July 30	June 30
Can. Fairb.-M. pf. .	1.50	July 15	June 30
Candn. Gen. Inv. .	.20	July 15	June 30
C. Ind. Alc. A & B	.17½	July 15	June 15
Candn. Ind. pf.	1.75	July 15	June 15
Candn. Invest. Corp.	.10	Aug. 1	July 11
Candn. Motor L. ..	.15	Sept. 15	Aug. 25
Do.	.15	Dec. 15	Nov. 15
Candn. Oil	.20	Aug. 15	July 15
Candn. Pac. Rly. pf.	2%	Aug. 1	July 1
C. Refractories pf.	1.12½	July 15	June 28
C. Wallpaper A & B	1.00	July 22	July 8
Candn. West. Lum.	.10	July 15	June 17
Do.	.10	Oct. 1	Sept. 17
Coast Brew.	.06	Aug. 1	July 14
Cochran-Dun. A ...	.20	Aug. 15	July 30
Do. pfd.	.30	Aug. 15	July 30
Cockshutt Plow ...	.20	Sept. 1	Aug. 1
Comb. Enter. pf. .	1.25	July 15	June 27
Commonwealth Int.	.05	Aug. 15	Aug. 1
Consolidated Bak. .	.25	Aug. 1	July 12
Cons. M. & S.	1.50+3.50	July 15	June 20
Cons. Paper	.50	July 16	June 6
Corr. Paper Box ..	.37½	Sept. 1	Aug. 12
Do. 5% pf.	1.25	Sept. 1	Aug. 12
Craig Bit	.25	Aug. 1	July 18
Crown Cork & Seal	.50	Aug. 15	July 15
Davis Leather A ..	.37½	Sept. 1	Aug. 1
Do. B	.17½	Sept. 1	Aug. 1
Disher Steel pf. ...	.37½	Aug. 2	July 15
Dom. Bridge	.30	Aug. 25	July 29
D. & Anglo Inv. pf.	1.25	Sept. 1	Aug. 15
Dom. Coal pfd. .	.37+.38	Aug. 3	July 8
Dom. Bank	.25	Aug. 1	July 15
Dom. Dairies	.12½	July 15	June 30
Do. pfd.	.20	Aug. 2	July 15
Dom. Fabrics	.20	Aug. 2	July 15
Do. 1st pfd.	.75	Aug. 2	July 15
Do. 2nd pfd.	.37½	Aug. 2	July 15
Dom. Glass	.25	July 15	June 28
Do. pfd.	.35	July 15	June 28
Dom. Oilcloth	.40	July 29	June 30
Dom. M.	.17½	July 31	June 30
Dom. Malt.	.25	Aug. 1	July 8
Do. pfd.	1.25	Aug. 1	July 8
Dom. Scot. Inv. Tr. pf.	.62½+1.50	Sept. 1	Aug. 15
Dom. Steel & Coal B	.25	Aug. 3	July 8
Dom. Stores	.37½	Sept. 15	Aug. 18
Dom. Square	.50	July 15	June 15
Dom. Tar & Chem. Co. V.T.	.25	Aug. 1	July 2
Dom.-Textile pfd. .	1.75	July 15	June 15
Dom. Wool	.25	Aug. 1	July 15
Donnacona Pap. pf	1.12½	Aug. 15	July 15
Dryden Pap.	.30	Aug. 1	June 30
East. Bakeries pfd.	1.00	July 15	June 30
Emp. Brass A	.25	July 15	June 30
Do	.25	Oct. 15	Sept. 30
Enam. & Heat. ...	.50	July 30	June 30
Ensign Ins. 60% pd.	1.80	July 2	June 30
Esmond Mills pf. ..	.25	Aug. 1	July 8
Do.	.25	Nov. 1	Oct. 7
Estabrooks, T. H. pf.	.26	July 15	June 18
Fed. Fire Ins.	1.00	Aug. 16	Aug. 11
Fed. Grain pf.	1.62+2.50	Aug. 1	July 18
Fibre Pro. pfd.	.25	July 15	June 30
Flash Fasten's 5% pf	.25	July 15	unstated
Foundation of Can.	.35	July 22	June 30
Fraser Cos.	.50	July 25	June 30
A. J. Freeman	.12½	Aug. 1	July 15
Do. pfd.	1.12½	Aug. 1	July 15
Gair of Can. pfd.	1.00	Sept. 1	Aug. 13
Gen. Pet. A & ord.	*.02	July 15	June 15
Gen. Prod's A & B	.50	July 15	June 29
Do. pf.	2.50	July 15	June 29
Gen. Steel Wares .	.20	Aug. 15	July 18
Do. pfd.	1.25	Aug. 1	July 8
Goodyear Tire pfd.	.50	July 30	July 9
Gould Pumps 5% pf	†.25	July 21	July 11
Grafton A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Grand & Toy	.15	July 30	June 20
Gt. West Coal	.75	Aug. 15	July 29
Gt. West Felt	.30	Oct. 1	Sept. 20
Guardian Realty pf.	.75	July 15	June 30
Guaranty Trust ...	1.25	July 15	June 30
Gypsum, Lime	.25	Sep. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
J. F. Hartz A	.12½	Aug. 1	July 20
Highland-Bell	.05	July 15	June 17
Holden Mfg. A ...	.15	Aug. 1	July 21
How. Smith Pap. ..	.50	July 30	June 30
Do. pfd.	.50	July 20	June 30
Hudson Bay M. & S.	1.00	Sept. 12	Aug. 12
Huron & Erie Mtge. com.	.20	Aug. 1	June 30
Hydro Elect. Sec. pf.	.20	Aug. 1	June 30
Imp. Bank	.30	Aug. 1	June 30
Imp. Tobacco 4% pf.	.25	Aug. 1	June 21
International Coal	.01½	June 15	June 1
Int. Holding	.60	Aug. 15	July 15
Int. Bronze pfd. ...	.37½	July 15	June 15
Int. Milling pfd. 4%	†1.00	July 15	June 30
Int. Nickel pfd. ..	†1.75	Aug. 1	July 5
Int. Utilities	†.25	Sept. 1	Aug. 12
Inv. Found. pf.	.75	July 15	June 15
Do.	.75	Oct. 15	Sept. 15
Lake of Woods Mill.	.40	Sept. 1	Aug. 1
Do. pfd.	1.75	Sept. 1	Aug. 1
La Luz M.	.05	Aug. 10	July 20
Laura Secord	.20	Sept. 1	Aug. 1
Laur. Accept. pf. ...	.25	July 31	July 15
Do.	.25	Oct. 30	Oct. 15
C. W. Lindsay pf.	4.00	Aug. 1	July 1
Leitch G. M.	.02	Aug. 15	July 29
Legare 6% pf.	2.00	Aug. 3	July 9
Lewis Bros.	.25	July 31	June 30
W. M. Lowney	.25	July 15	June 15
Mailman Corp. pfd.	1.25	July 30	June 15
McCabe Grain A ..	.15	Aug. 1	July 15
Do. B	.10	Aug. 11	July 15
McColl-Front. pfd.	1.00	July 20	June 30
McIntyre Porc. M.	.50½	Sept. 1	Aug. 2
Maple Leaf Gard. ..	.25	July 15	July 2
Mar. T & T.	.20	July 15	June 20
Do. pfd.	.17½	July 15	June 20
Mercury Mills N. .	.15	Aug. 2	July 15
Minn. & Ont. Pap. .	†.25	July 20	June 30
Mid. & Pac. Grain	.25	Aug. 1	July 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Mtl. Telegraph ...	.50	July 15	June 15
Moore Corp.	.75	Oct. 1	Aug. 31
Do. A & B pfd. ..	†1.75	Oct. 1	Aug. 31
Do. 4% pf.	.25	Oct. 1	Aug. 31
Mt. Royal Rice	.12½	July 30	June 12
Nat. Biscuit	†.40	July 15	June 7
Do.	†.40	Oct. 14	Sept. 9
Do. pfd.	†1.75	Aug. 31	Aug. 9
Nat. Hose. A	.15	Oct. 1	Sept. 2
Do. B	.30	Oct. 1	Sept. 2
Nat. Steel Car	.37½	July 15	June 15
Wm. Neilson pfd. .	1.25	Sept. 1	Aug. 10
New Calumet M. ..	.05	July 29	July 19
Nor. Trusts	.40	Aug. 1	July 25
Ogilvie Flour	.25	Oct. 1	Aug. 25
Do. pfd.	1.75	Sept. 1	July 27
Ont. Beauty Sup. pf.	.25	Oct. 2	Sept. 20
Ont. Steel Pro. .	.25+.25	Aug. 15	July 15
Do. pfd.	1.75	Aug. 15	July 15
Paton Mfg.	.20	Sept. 15	Aug. 31
Do. pfd.	.35	Sept. 15	Aug. 31
Penmans Ltd.	.75	Aug. 15	July 15

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
Do.	1.50	Aug. 1	June 30
People's Cred. Sec.	.25	July 15	June 30
Perron G. M.	.01	July 29	June 27
Power Corp. 6% 1st pf.	1.50	July 15	June 20
Do. 6% 2nd pf. ..	.75	July 15	June 20
Pressed Met.	.25	Sept. 1	Aug. 10
Preston E. D. M. ..	.01½	July 15	June 15
Price Bros.	2.00+.50	Aug. 1	July 15
Purity Flour	.25	Sept. 1	Aug. 12
Do. pfd.	.87½	Aug. 1	July 8
Que. Power	.25	Aug. 25	July 15
Regent Knit. pf. ..	.40	Sept. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's 5% pfd. .	.25	Aug. 1	July 15
Robinson Cot.	.10	Aug. 1	July 1
Sag. Pwr. pf.	1.07	Oct. 1	Sept. 9
St. Law. Flour	.40	Aug. 1	June 30
Do. pfd.	1.75	Aug. 1	June 30
St. Law. Corp. 1st pf.	.50	July 25	July 5
Do. 2nd pf.	.18¾	July 25	July 5
St. Law. Pap. 1st pf.	1.50	July 25	July 5
Do. 2nd pfd.	.60	July 25	July 5
Sangamo	.12½	July 22	June 20
Scarfe & Co. A	.20	Aug. 1	July 15
Do. B	.10	Aug. 1	July 15
Shaw. W. & Pwr. ..	.30	Aug. 25	July 15
Do. Cl. A pfd. ...	.50	Oct. 3	Sept. 2
Sheep Creek G. M..	.02	July 15	June 30
Sherwin-Will.	.20	Aug. 1	July 14
Shirriff's 5% pf. ..	.25	Aug. 1	July 13
Do. A	.06	Aug. 1	July 13
Sidney Roof. A	.22½	Aug. 1	July 15
Sigma M.	.25	July 29	June 29
Southam	.25	Aug. 15	July 15
N. Slater	.30	Aug. 1	July 9
Do. pfd.	.53	July 15	July 2
So. Can. Pwr.	.30	Aug. 15	July 20
Do. pfd.	1.50	Aug. 15	July 20
Stan. Brock A	.15	Aug. 1	July 11
Do.	.10	Aug. 1	July 11
Stand. Chem.	.10	Sept. 1	July 29
Do. pfd.	1.25	Sept. 1	July 29
Stand. Fuel pfd. ..	.56¼	Aug. 1	July 15
Stanfield's A	.30	July 15	June 30
Do. B	.30	July 15	June 30
Steel Co. ord. & pf.	.75	Aug. 1	July 7
Stovel Press pfd. ..	.12½	July 15	July 6
Super Serv. 4½% pf.	.11¼	Sep. 15	Aug. 22
Do.	.11	Dec. 15	Nov. 22
Supertest Pet. com. & ord.	1.25	July 15	June 17
		Coup. 59-xc	July 14
Do. pfd. B	.75	July 15	June 17
Tuckett Tob. pf.	1.75	July 15	June 30
Union Gas	.12½	Aug. 2	July 7
United Corp. A	.38	Aug. 15	July 15
Do. B	.25	Aug. 31	July 30
United Fuel A pf. .	.75	Oct. 3	Sept. 9
Viceroy Mfg.	.15	Sept. 15	Sept. 1
Waterous Ltd. A ..	.20	Aug. 15	July 29
Wellington Fire Ins.	1.75	Aug. 15	Aug. 11
Wesley Mason M pf	1.37½	Aug. 1	July 15
West. Breweries ..	.40	July 15	June 30
West. Grocers A ..	.50	July 15	June 15
Do. pfd.	.35	July 15	June 15
Westminster Pap. A	.12½	Aug. 1	July 9
Do. B	.02½	Aug. 1	July 9
Willson Stat. pf. ..	1.25	July 15	June 30
Wood, Alex. & Jas.			
Zeller's Ltd.	.50	Aug. 1	July 12
Do. 5% pf.	.31¼	Aug. 1	July 12
Do. 6% pf.	.31½	Aug. 1	July 12
pfd.	1.75+1.75	Aug. 2	July 15

†American funds. *Initial.
■On redemption.


Weekly Range—Toronto Stocks

Newsprint Export Trends Pose Long-Term Problems

MONTREAL (Staff)—Prolonged shortage of dollars may mean the permanent loss of some of Canada's overseas newsprint markets, trade sources here feel. Inability to buy Canadian newsprint because of trade and currency difficulties is forcing other countries to develop domestic newsprint industries.

Up to the end of May, overseas newsprint exports were down nominally—less than 1% from last year. Total exports are about 6% above a year ago due to the increased shipments to United States.

A glance at the list of overseas buyers indicates the trend which newsprint men have been watching for months. While Central America, British Isles, Africa and some others have increased their purchases of Canadian newsprint, other areas have cut their imports by almost half. Here is the picture:

NEWSPRINT EXPORTS TO:	1949 (Tons—Five Mos.)	1948
Cent. Am. & Caribbean	42,703	38,999
South America	22,798	42,902
British Isles	39,258	35,373
Other Europ. & Balkans	5,476	109
Med. & Near East	1,924	3,212
Africa	35,820	24,152
India & Mid.-East ...	9,200	8,300
Orient	12,577	20,800
Australasia	19,922	17,292
Others	53	67
United States	1,776,110	1,662,327
Total	1,965,951	1,853,733

In South America, both Brazil and Argentina are attempting to develop newsprint production; the latter country is now calling for tenders from possible manufacturers.

India has projected a newsprint industry using wood from a tropical tree.

In New Zealand successful plantations of Monteray pine are said to have made a newsprint industry there an economic undertaking. These trees were originally taken from Southwest United States. Trees grow exceedingly fast—as much as five feet a year—which assures a continuous supply of pulpwood, it is said.

Since the war, the loss of the overseas market to Canadian newsprint has made little difference, since United States has been able to absorb all this country could produce.

Montreal Curb Shorts Higher

MONTREAL (Staff)—Montreal Stock Exchange report shows short position at June 30 of 20,588 shares of 49 issues compared with 20,695 shares of 47 issues on June 15. Chief changes are:

Stock	Shares	Stock	Shares
Aluminium	+275	Inter Nickel	—300
Candn Cel.	—400	Inter Paper	+265
How Smith	—320	Price Bros.	—585
Hudson Bay	+545	St. Law Corp	+500

Short position on Montreal Curb Market on June 30 comprised 181,195 shares of 30 issues against 165,183 shares, 32 issues, June 15. Chief changes are:

Stock	Shares	Stock	Shares
Base Meals	—7,000	Macdonald	+17,000
Duvay	—6,500	Sherr.-Gor	+12,700
Fleet	+3,50	Tibl'mont	+3,000
Labrador	+2,750	Un. Asbes	—5,700
Louvicourt	+3,300		

Actual short positions on the two exchanges were:

MONTREAL STOCK EXCHANGE

Stock	Shares	Stock	Shares
Stock	Shares	Ham. Bridge	200
Stock	Shares	Hiram Walker	300
Abitibi	975	How. Smith	1175
Algoma	485	Hudson Bay	545
Aluminium	485	Imperial Oil	425
Bathurst 'A'	225	Int. Nick.	1150
Bell Telephone	25	Int. Paper	1015
B.A. Oil	500	Laura Secord	50
Bruck Mills 'A'	25	Massey-Harris	925
Bruck Mills 'B'	50	Molson's	50
Build. Prod.	175	Mont. Loco.	50
C. Cement	1200	N. Steel Car	50
Can. S.S.	200	Nat. Brew.	825
Candn. Brew.	925	Niagara W.	25
C. Can. 'B'	128	Noranda	375
Can. Car	1600	Page Hersey	100
Can. Celanese	125	Power C.	25
Can. Loco.	25	Price Bros.	475
C.P.R.	400	Shawinigan	600
Cockshutt P	400	Sicks' Brew.	50
Cons. Smelters	970	Simpsons 'A'	50
Dist. Seag.	200	St. Law. C.	500
Dom. Bridge	155	Steel Co.	135
D. Coal 'B'	950	Winnip. Elec.	790
Dom. Stores	50		
Dom. Tar	25	49 Issues	20,588
Fraser	405		

MONTREAL CURB MARKET

Stock	Shares	Stock	Shares
Anglo Can. O.	300	Minn. & Ont.	50
Burnett	50	Nicholson	600
Can. Vickers	285	N. Goldvue	500
Comm. Alcoh.	925	Normetal	2200
Cons. paper	685	Pacific Pete	300
Donnacona 'A'	25	Pen. Oreille	300
Duvay	8500	Quemont	100
East Sulliv	3600	Que. Labrador	7525
Fleet	3500	Que. Pulp P.	25
Ford 'A'	50	Sherr.-Gord.	17500
Gaspe	800	Tiblemont	3000
Hendershot P.	25	Trebor	4000
Home Oil	50	U. Asbestos	90700
Labrador	4300		
Leitch	400	30 Issues	181,195
Louvicourt	3500		
Macdonald	27500		

SIGMA MINES (QUEBEC) reports June output of $201,959 from 34,200 tons of ore milled. This compares with production of $208,832 for the previous month and $200,519 for June, 1948.

CANADIAN MUNICIPAL AND
CORPORATION SECURITIES
F. H. DEACON & CO.
Business Established 1897
Members Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
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Central Pat. Mill At Record Level

Although production of gold at Central Patricia Gold Mines in the June quarter was below that of the previous quarter, tonnage of ore handled in the mill at 338,833 tons daily represented an average of 413 tons daily. This was not only an improvement on the average of 393 tons handled the previous quarter but exceeded the average daily tonnage recorded in any full previous year in the company's history.

Gold production for the three months ended June 30, 1949, was $338,833 as against $350,409 the previous quarter. Recovery averaged $9.02 a ton in the latest quarter against $9.89 in the first quarter of 1949.

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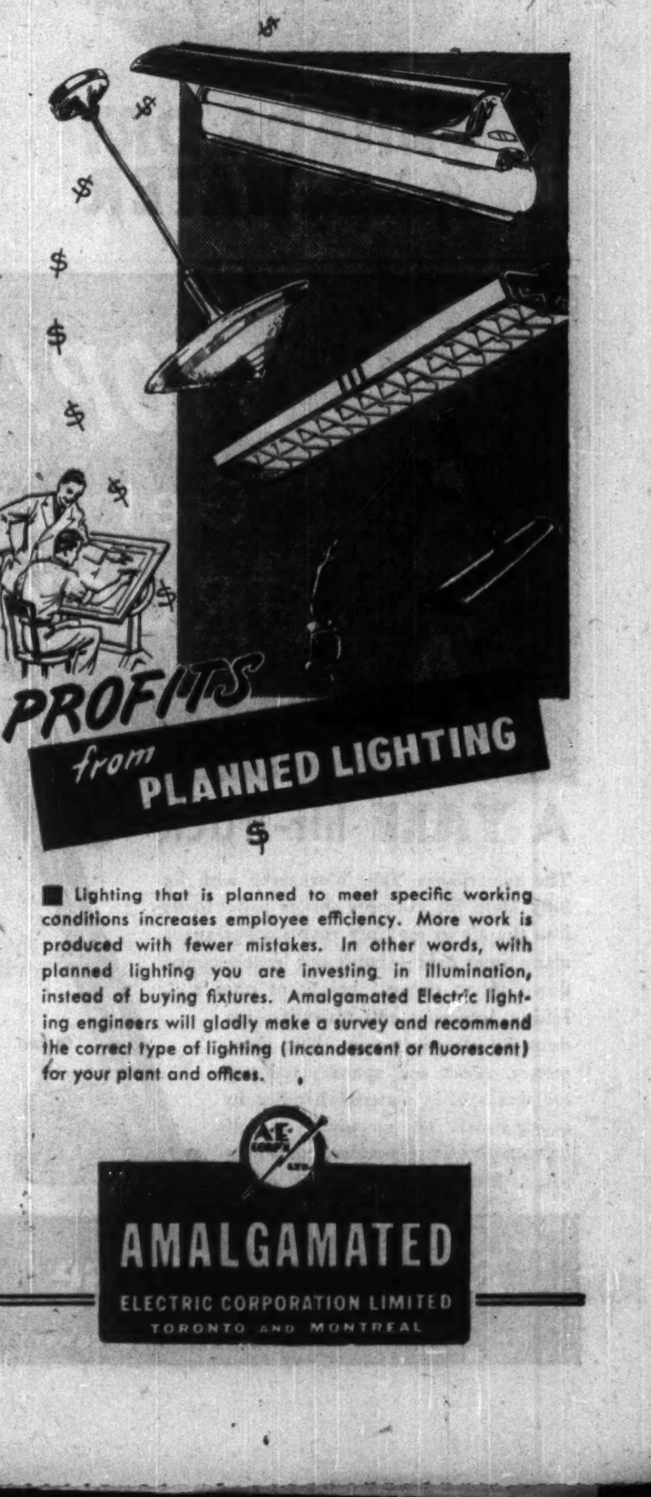

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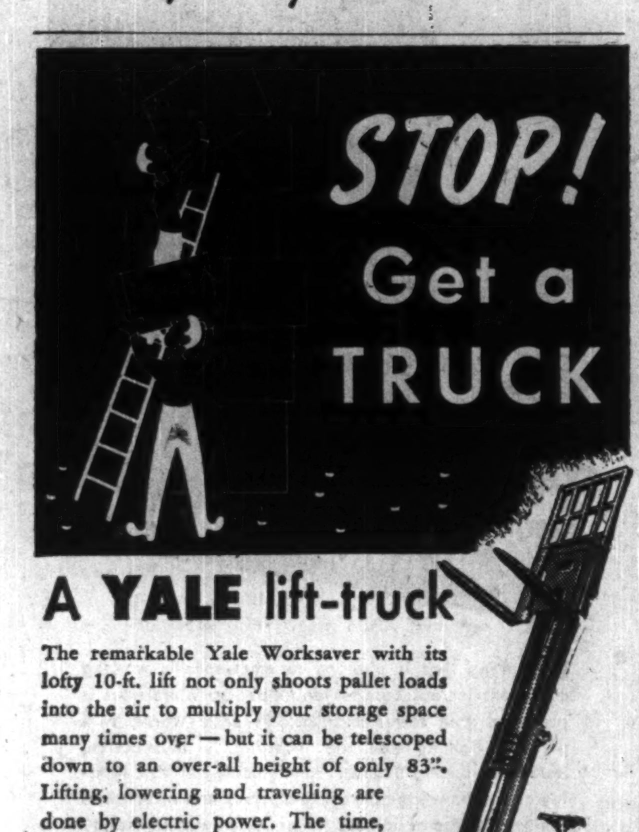

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Important-Looking Uranium Discoveries Made 20 Miles to West of Goldfields

By GORDON M. GRANT

Predictions made earlier this year that the Goldfields Saskatchewan area would be "the hot spot of the world" in development of uranium are being strongly supported by new finds made in the area.

Three new discoveries are reported on holdings of John Frame, Toronto broker, to the west of Goldfields. From preliminary indications, at least two of these could prove major discoveries. Not enough is known of the third to make any estimate of its importance.

At St. Joseph's Point

The discovery on which most work has been done is on the 25-square-mile VV concession held by Mr. Frame about 20 miles west of Goldfields at St. Joseph's Point on the north shore of Lake Athabaska. This showing, known as the Tena, comprises a series of three, or possibly four veins, with pitchblende visible to the naked eye. The veins lie in echelon with combined lengths of about 700 ft. and it should be feasible to test them from a single shaft.

The main vein has been trenched and blasted for a length of 180 ft. and one sample for which assays are available ran 13% pitchblende. Not enough work has been done on the other veins to determine their importance. The only sample run for gold gave $9, so there is thought to be a chance for precious metals as well as uranium.

Second to Northeast

The second discovery is located 12 miles to the north and east on a group of 12 claims known as the Chum group which provides over a mile of protection on strike. "Pitch" is visible associated with red hematite and there is a possibility that the occurrence may lend itself to diamond drilling, unlike the average pitchblende deposit.

The Geiger counter has indicated a radio-active zone for a length of 1,200 ft. Blasting into fresh material along a length of 150 ft. shows a pitchblende vein about two inches wide along this length. While returns from samples are not yet available, it is thought to be comparable to the material from the Tena discovery. It is possible that tunnelling can be carried out for exploration and bulk sampling of the occurrence.

Dr. G. C. McCartney, who is in charge of work for Mr. Frame, reports that it is not known if the section blasted out will run better or poorer than the rest of the vein.

Not nearly as much work has been done on this discovery as on the Tena showing.

The Tena discovery was actually made some time ago, but was "kept under wraps" until after the concession was secured by Mr. Frame to give property protection and the chance of picking up other discoveries in the area.

A further pitchblende discovery has been reported in the press which is apparently on the Frame concession. Dr. McCartney, when he was last on the ground, noticed pitchblende staining in the vicinity of the reported strike and thought that there was a good chance that actual pitchblende would be found after some work had been completed.

Due to the difficulty of testing pitchblende occurrences adequately by diamond drilling, it is thought possible that it might be more feasible to put down one compartment test shafts on the main showings to permit an underground test together with bulk sampling. However, further surface work will be done to more fully outline veins revealed before any decision is made on the further course of development.

The Box power line passes within eight to nine miles of each discovery and it is thought that this could be of importance if the veins stand up under further work.

The thought at present is that the two main discoveries are probably occurrences in the same class as the Nicholson, Nisto and Camray disclosures. A substantial number of samples has been sent out for assay and these should fill in the picture considerably. At present the Chum group looks rather like the Nisto while the Tena find is like the Nicholson. Samples from both the Chum and Nisto shown to The Financial Post had typical pitchblende characteristics including high radio-activity registered on the Geiger counter.

Torbrit Steps Extraction Up

After plant tests indicated that addition of flotation to the mill circuit would raise silver recovery to between 88% and 90% and also recover a small amount of lead, Torbrit Silver Mines arranged for addition of flotation facilities in its mill.

A flotation annex is now being constructed. Equipment for this plant was purchased and delivered earlier. Two of the flotation units were incorporated into the circuit in June and the full flotation plant should be completed and in operation by August.

Grade of ore has been up to expectations and mine results have been entirely satisfactory, the company reports. A limited amount of exploration has shown the favorable zone for ore deposits to be wider than indicated by earlier work.

Quemont Plant "Satisfactory" Shipping Copper Concentrates

"Metallurgical recoveries and mechanical operation of the new concentrator are satisfactory and tonnage should reach capacity within a few months," Quemont Mining Corp. states in a report for three months ended June 30, 1949. Production commenced June 20.

Copper concentrates are now being shipped regularly to the smelter. Shipment of zinc concentrates is scheduled to start this month.

Cyanide Plant Finished

Construction of the cyanide plant has been completed and equipment installation is well advanced. Operation of this plant, which will treat tailings from the concentrator, should start late July or early in August. The foundations of the pyrite dryer plant are reported well advanced. If there are no disappointments in equipment deliveries, the pyrite plant should be in operation in the early fall.

"Mine preparation has kept pace with the construction and the mine is now developed and equipped to deliver ore to mill capacity," it is stated. "Mine preparation has confirmed tonnages and grade of original ore reserve estimates. The shaft has reached a depth of 2,524 ft. below the collar. Temporary stations have been cut down to the 2,340-ft. level. The shaft will be advanced to 2,600 ft. below the collar, after which the stations will be enlarged, followed by lateral exploration and development of the block of ground below the 1,080-ft. level."

New Deals For Pan Western

Both Saskatchewan and Alberta Feature Development Plans

Further exploration plans for 852,160 acres of Saskatchewan and Alberta oil lands have been announced by Pan Western Oils which recently concluded new financing arrangements with New York and Toronto interests.

In Alberta, arrangements have been completed in association with Long Island Petroleums for seismic testing and test drilling of 98,240 acres in the St. Paul-de Metis area. These holdings are surrounded by others of Barnsdall, Honolulu, Seaboard, Shaw Pete, Hudson Bay Oil & Gas, etc.

Negotiations are also being carried on for drilling of two wells in the Leduc region, the first six miles west of Edmonton and the second 18 miles southeast of that city on an Imperial Oil farm-out of 4,160 acres.

Negotiations are being carried on for an immediate start of test drilling on 149,760 acres in Saskatchewan under arrangements with J. L. Graham of Toronto. This acreage is surrounded by Phillips Pete, Standard Oil of Ohio and others. A gravity meter test has been completed on a block of 500,000 acres in Saskatchewan to the northeast of Lloydminster in association with Long Island Petroleums. Results are stated to indicate several promising anomalies.

Sullivan Output Jumps Sharply

A sharp jump in production was recorded by Sullivan Consolidated Gold Mines in the three months ended June 30, 1949. Output for the quarter was $405,595 from 44,289 tons of ore compared with $312,593 from 42,179 tons in the preceding quarter.

In the corresponding quarter of 1949, value of production was only $258,305.

Production figures do not include cost-aid receivable under the Emergency Gold Mining Assistance Act which is estimated at $31,600 for the June, 1949, quarter.

BELLE-CHIBOUGAMAU MINES reports that S. J. Bird has agreed to purchase 100,000 shares at 5 cents a share and 50,000 shares at 10 cents a share, both payable by July 27, 1949, and has been granted options on a further 850,000 shares at 10 to 25 cents a share. Authorized capital of the company is three million shares of which 1,000,005 are issued including 900,000 in escrow.

Camray Contract Let For Shaft

A contract for sinking a shaft at Camray Mines has been let to Pat Harrison of Rouyn, Que. The shaft, a 4-ft. by 5-ft. opening of two compartments, is to be carried to an incline depth of 120 ft.

Sinking will be started as soon as equipment reaches the property. Due to the friable or brittle nature of the pitchblende, diamond drilling proved rather ineffective in evaluating the occurrence leading to the decision to secure a more accurate idea of possibilities with an underground opening.

Surface exploration, and some diamond drilling, is being continued. Surface work is also being done on the adjoining property of Bobcam Mines which is under the same management.

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Mining Corp. Is Active in Field

An active field exploration program is being carried on by Mining Corporation of Canada, the company's semi-annual report reveals.

A number of prospecting parties have been placed at work in Ontario and Quebec. In addition, participations have been taken in a number of prospecting syndicates, additional claim groups have been acquired and geological and geophysical surveys are now in progress.

On completion of the preliminary work, diamond drilling will be carried out on some of these groups, the company reports.

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Guayana Realizing Operating Profits Hopes to Work Mill Ahead to Capacity

Alan Anderson, genial vice-president of Frobisher Ltd., which has a 616,945-share stake in Guayana Mines, has just returned from a trip to Venezuela where he inspected the extensive Guayan operation, the largest gold mining activity in that country.

Despite an increase in prices in Venezuela which challenges anything experienced in Canada, Mr. Anderson reports the Guayana operations making a modest operating profit, with the management bending every effort to attain the large-scale gold mining proposition which gold deposition present appears to warrant.

As an evidence of high prices in Venezuela, Mr. Anderson mentions a $120 cost for a two-day stay in a two-room suite (the only one available) in Hotel Avila, Caracas. Inflation of prices has apparently been caused by tremendous expenditures of oil companies in the country rather than any instability in the financial background of the country. Mr. Anderson declares that Venezuela is the only country in the world today without a national debt.

Indications are now, however, that the peak of the oil boom has been reached and probably passed, and that a greater normalcy may gradually be achieved in the pricing system, providing a set of conditions more conducive to the prosperity of an enterprise such as Guayana Mines in the gold mining category.

Handle 250-300 Tons

A total of 250 to 300 tons of ore is being handled daily which is being derived from the Laguna and Soza Mendez-Union mines. Laguna ore is averaging about an ounce gold per ton while ore from the Soza-Mendez has been running about 0.4 to 0.5 oz. gold per ton. Outside exploration has been carried out at a number of outside points recently and from a review of old maps and reports the management appears to have more of a problem of where to start exploration first than any problem of deciding where work would be warranted.

The Guayana properties represent a camp rather than a mine; one mine not at present being worked, the old Callao, shows tailings on the dump averaging over a half ounce gold. Old records here indicate that the mill heads must have run well in excess of two ounces. This is one of the places where the management will probably do some investigation when production is built up beyond present levels. The Guayana properties in the State of Bolivar have a most romantic past. Sir Walter Raleigh's son is stated to have lost his life trying to tap their riches.

The mill at the Laguna mine, where production is centred, has a capacity of 600 tons daily, and was changed over by the present management from amalgamation and cyanidation to straight cyanide in order to eliminate the practice of high grading which was previously prevalent. While operating profits are being made, capital expenditures are also necessary and this tends to place a brake on ability of the company to expand activities in new directions.

If production can be broadened, as officials hope, then greater development can be done in the Laguna and Soza Mendez Mines as a preliminary to stepping-out with development of the outside properties. At the Laguna mine work is being done at the 6th level to get under the high grade ore now being mined at the 3rd and 4th levels. A fair quantity of ore is expected from the Soza-Mendez 5th level, now being rehabilitated.

The management feels that by late summer or early fall, it should be possible to make a much better appraisal than just now.

Guayana is fortunate that its properties are located in a section remote from oil field developments. There is thus an adequate supply of labor available for present requirements. More could be asked in the way of skill in mining labor available but prevailing wages run $3 to $4.50 a day so that what is lacking in skill and initiative is offset in a lower per man cost for labor than exists in Canada. The foreign staff members are mostly Canadians. Power is provided by Diesel engines and its oil raw material is naturally reasonably priced.

"Free & Legal" U.S. Trading Sought By OSC Commissioner

At the annual conference of National Securities Administrators in Richmond, Va., this week, O. E. Lennox, chairman, Ontario Securities Commission, stressed that financing of enterprise in Canada is on a more pioneer basis than in the more mature economy of the United States, and that "fees, costs and delays . . . levied against trading in securities across the international border is much more formidable than any tariff levied against ordinary commodities."

A strong plea was made that U.S.-Canadian trading in securities be placed "on a free and legal footing."

Mr. Lennox expressed the opinion that the foundation had been laid in Ontario for discussions along constructive lines with United States authorities.

Action had been taken along several lines which Mr. Lennox suggested would be considered constructive from the U.S. viewpoint. The Broker-Dealer Association set up in Canada had been created just over a year ago with legislation modeled along the lines of the U.S. federal securities laws. A committee had been set up to deal with the question of price spreads. The flood of sales literature sent to the United States was stated to have dwindled to a trickle.

Wider Gold Aid Now Awaiting Act Revision

One of the earliest pieces of legislation to be handled at the next session of the House of Commons is expected to be the amendment of the Emergency Gold Mining Assistance Act to provide for payments to gold mines which really need assistance but either do not at present qualify for assistance at all or to only a minor degree.

This extension of cost-aid was promised the mining industry some time ago but the last abbreviated session of the House of Commons did not continue long enough to allow the legislation to be introduced. An amendment of the Act is necessary for payments beyond those already provided.

It is believed that a great many mines have been kept in production which would otherwise have had to close except for the workings of the Act. A ruling recently handed down with respect to the Donchester mine of Consolidated Beattie, for instance, probably had the effect of keeping that company in production when it might otherwise have had to close.

MINING CONCENTRATES

ASCOT METALS CORP. received a further $39,000 last week bringing cash received up to $89,000. Adequate funds are now reported on hand to start underground development to put ore in sight for milling. The property, formerly operated by Aldermac, is located in Ascot Twp., Quebec, near Sherbrooke, and has been opened by a 300-ft. shaft. A 250-ton capacity mill is installed. Plans call for deepening the shaft to 600 ft. and completion of work on new levels.

* * *

DONALDA MINES advises the Toronto Stock Exchange that by agreement dated July 5, Stuyvesant-North Ltd., has underwritten 250,000 shares at 40 cents a share and has optioned 250,000 shares at the same price, exercisable in 10 monthly installments.

* * *

LA LUZ MINES has declared a dividend of 5 cents a share payable August 10, 1949, to shareholders of record July 20.

* * *

ROCHETTE GOLD MINES is reported installing equipment in a new plant constructed at its lead-zinc property at Long Lake, Eastern Ontario. It is planned to treat 35 tons daily initially with material drawn from ore dumps of previous operators.

$100 Million U. S. Gas Line 'Yield'

If the proposal of Westcoast Transmission Co. for a gas pipeline from Northern Alberta to Vancouver goes through, over $100 millions of U. S. funds will be spent in Canada on construction of the line, an informational booklet issued by the company indicates.

Eastman Dillon & Co. of New York, members of the New York Stock Exchange, are "in charge of financing."

The over-all project is expected to cost as much as $175 millions.

The pipeline, which would gather gas in Northern Alberta and the Peace River block of British Columbia, is expected to have its gathering lines pass through the electoral districts of Beaver River, Redwater, Pembina, Athabaska, Grouard, Grande Prairie, Peace River and Spirit River in Alberta, connecting with the main 30-in. line near Dawson Creek, B.C.

The charter of Westcoast Transmission Co. would also permit construction of an oil pipeline parallelling the gas pipeline if oil resources of Alberta are expanded to a sufficient degree to warrant this.

U. K. Mines Year Book 1949 Edition Issued

A total of 875 mining companies operating in various parts of the world is reviewed in the 1949 edition of the United Kingdom Mining Year Book. Names and addresses of 986 mining engineers and mine managers are also provided.

The volume includes maps and plans of various properties; statistical tables showing gold production of principal mining areas, and a buyer's guide to manufacturers of mining equipment containing 573 headings.

Copies can be obtained from Walter E. Skinner, 20 Copthall St., London, E.C.2. Price is $7 post free.

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HARRICANA GOLD MINE in its 1948 annual report states that 272,000 shares of Anacon Lead Mines were purchased for $47,651 and 170,000 shares of these were sold to realize a net profit of $24,080. Harricana also purchased 105,000 shares of Dulama Gold Mines and a 5% interest in Halport Mines. Balance sheet as at Dec. 31, 1948, shows $7,918 cash, $7,047 accounts receivable after reserve for doubtful accounts, and $239,699 of investments. Current liabilities were $1,873. Further work is warranted on company's Bourlamaque property but new financing will be needed to carry this out, President M. J. Boylen reports.

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"I sometimes find it hard to realize the extent and rapidity of our plant's growth. It has all been based, of course, upon the tremendous expansion of Canadian industry in general, which has created countless new opportunities in every field of activity for the energy and enthusiasm of young Canadians." —says HARRY J. SEHL of Kitchener.

The development of Sehl Engineering is a typical Canadian success story. Only 14 years ago, Mr. Sehl, with one assistant, began operating a small tool and die shop in Kitchener. Its expansion has been spectacular, with new lines of production added, new departments established and new plants built. Today the company, with 90 employees, is fast becoming one of the leading metal producing concerns in the country.

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What's New

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

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• • •

Headlight Unit

Sealed beam headlight unit, featuring a specially designed "Bulls-Eye" lens has been introduced by Ohio company. New unit delivers a driving beam of higher intensity, accomplished by prisms which pick up the reflected light from the bulb filament and collimate it into a beam which projects the light into the main headlamp beam, company explains. Other features include aluminized reflector which whitens the light and keeps it white, and new method of sealing glass lens to metal back of unit. Product is said to be light in weight but rugged in construction; will operate even though lens is cracked or broken.

• • •

Sealing Strip

Sealing strip of polyvinyl plastic seals and covers cracks at junctions of wall and bathtub, washbowl and stall showers and prevents steam or water from entering and causing damage to walls and woodwork according to Ohio maker. The strip, called "Tub-Kove," is white, will not craze or crack and is unaffected by water, cites maker; will not harden and is resistant to normal alkali solutions, acids and alcohols; not affected by common household cleaning solutions, soaps and detergents. Said to adhere readily to porcelain, wood, clay-tile, plastic-tile, lino-wall or any other types of surface materials used in bathrooms. May be painted if desired.

• • •

Peeled Potatoes

Ready-peeled potatoes said to keep several days without refrigeration offered by Illinois firm. Secret treating solution, claimed to be harmless, colorless and tasteless, keeps potatoes from discoloring or deteriorating if kept at room temperature for several days, maker states. They will last longer in refrigerator. Restaurants can save time and labor in preparing potatoes by use of the peeled potatoes which come in moisture-proof bags either sliced for French fries or whole for boiling. Means end of potato peeling machines and reduction of refuse in form of peels and potato rot. At present come in 30 and 60-lb. bags but will be available in smaller quantities when mechanical difficulties are overcome. National distribution expected by end of year.

• • •

Plastic Rolling-Pin

Rolling pin made entirely of Bakelite styrene plastic has eight small rollers which give more rolling area than single large roller, New Jersey maker states. Since they travel faster over dough, it doesn't stick. The increased rolling action and the non-porous rollers combine to flatten the dough uniformly, leaving no lumps or holes. Comes in variety of colors, costs about same as conventional rolling pin, company states.

• • •

Copies Both Sides

"Duplex Camera-Printer" offered by Ohio firm, makes it possible to microfilm both sides at once of office form or letter. Said to process 18,000 check-size documents an hour. Can also be equipped with attachment to put company endorsement on cheques. Uses either 16-mm. or 35-mm. film and can be quickly changed from one to the other. Cards and sheets are fed manually into the printer, one at a time. Machine stops automatically if two pieces stick together. It straightens out crumpled or torn material before letting it go through.

• • •

Satin Tape

Self-sealing tape made of lustrous satin is offered by New York firm for decorative packaging and cloth repairing. Comes in 15 different colors in 200-in. rolls.

• • •

Waxless Polish

Waxless polish, made with plastic base, is offered by Texas company for use on automobiles, highly polished floors and furniture, tile, linoleum, plastic, silver, brass, copper, enamel, chrome and porcelain. Product, which is said to contain neither wax nor acids which are harmful to paint pigment, is also said to feature ease of application and removal, lasting endurance, and combined properties of cleaner, polisher and protective agent.

• • •

Eliminate Odors

"Food Saver," a small, compact odor absorber or air purifier for commercial-type refrigerators, protects and preserves food quality by keeping air sweet and clean and preventing flavor "transference" between foods, New York maker states. Device uses activated carbon as filter to remove gases and odors from refrigerator air and is similar in design and operation to larger and more elaborate equipment in general use in air conditioning and industry. Consists of two perforated metal canisters containing the activated filter medium, a small blower and motor. The blower draws air through the canisters and recirculates it, clean and odor-free. One unit is said to sweeten the air in boxes up to 1,000 cu. ft. in size. Unit is only 18 inches long and may be fastened at any place on wall or ceiling. Cost of operation about same as a small light bulb.

• • •

Wall Finish

Quick-drying, one-coat wall finish that "paints and plasters" in one application is offered to cut home building and remodelling costs and to speed interior finish work. Designed especially for use on wallboard and other modern dry wall construction, the new synthetic rubber-based coating gives a "rough plaster" finish without high cost of lathing and plastering, Chicago maker states. Is brushed on like ordinary paint. Scrolls and design patterns can be worked into the texture. Comes in cream, blue, peach, green, rose and white. Finish is said to expand and contract on wall surfaces with changes in temperature and weather. Fills in wall blemishes such as cracks, seams, small holes, etc. Can also be used on old plaster walls.

• • •

Supports Shaft

Inexpensive device for use in supporting centreless shafts concentrically in the lathe has been developed by Indiana firm. The "adjustable collet bushing chuck" is said to make possible easy centring in the lathe of any shaft ¼-inch to one inch in diameter. Automobile starter and generator armature shafts which do not have centre holes can be quickly and accurately centred, states maker.

picture of a problem being solved

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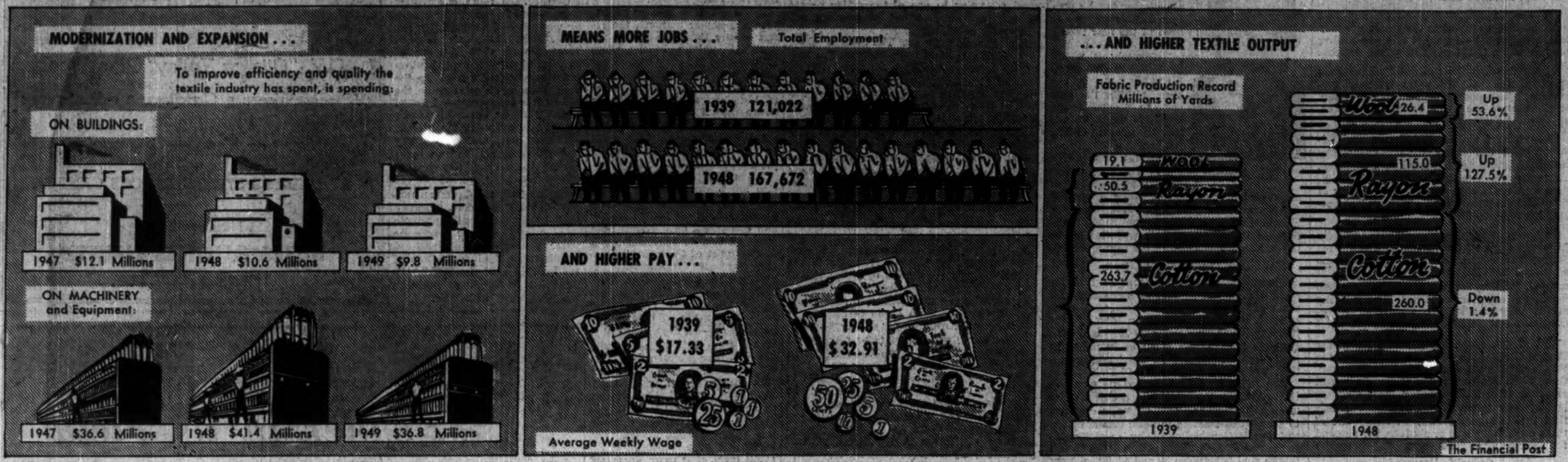
The Financial Post

Vol. XLIII | Member of Audit Bureau of Circulations | Publication Office: Toronto, July 16, 1949 | Fifteen Cents an Issue, Five Dollars a Year | No. 29

Can Textile Men Hold Wartime Gains?

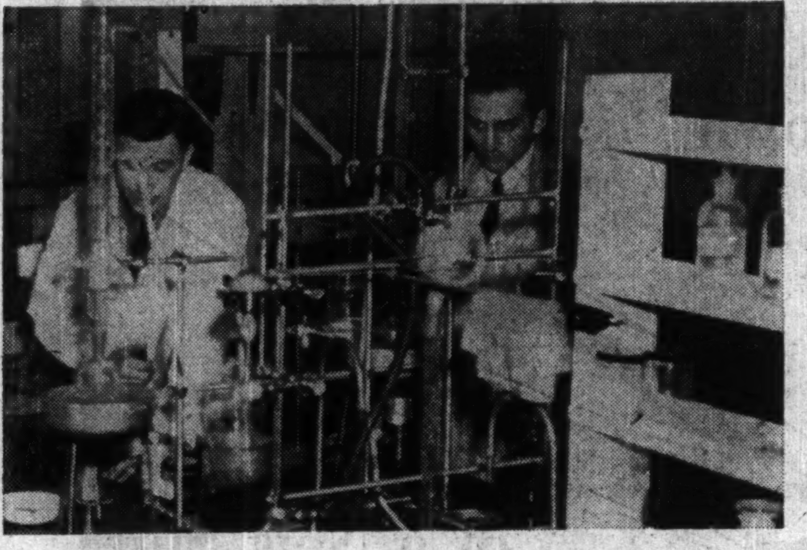


EMPLOYMENT

Around 160,000 workers are currently employed in Canada's textile industries, total output of which (about $1 billion gross value of production) comes from over 3,000 establishments. Total annual payroll, according to latest available figures, is around $260 millions. Recent months have shown a decline in payrolls with slowdowns in production as result of more competitive conditions, but industry is still operating well above prewar.

RESEARCH

Research effort in the textile industry is expanding along with a program of technical education for workers. Apart from what's being done on industry's behalf at National Research Council and Ontario Research Foundation in textile development, much original work is being carried out within the industry and plans are in hand to develop this important aspect of industrial development still further.



SYNTHETICS

Out of the research laboratories are coming many new synthetic fabrics, an ever-widening field of use for synthetics. As an example of the newer uses to which the still-comparatively new nylon is being put, here's nylon in the woods with lightweight tent (said to be one-third lighter than the canvas type), nylon hunting jacket and sleeping bag.

Battle for Sales Hitting Faster Tempo in Face Of Mounting Pressure of Import Competition

By HOWARD GAMBLE

"Won't it be nice when things get back to normal?"

That was the phrase Canadians were wistfully repeating to themselves only a short time ago. In the textile business it looks as though that time has arrived. Mr. and Mrs. Consumer have not had it so good since the war.

Remember when store clerks furtively pulled men's shirts from under the counter for favorite customers? Those days are gone—wide selections are now available at $4 or $5.

Women's and children's clothes are crowding the racks, deliveries on men's suits are now two and three weeks instead of months.

Milady can get her 7.6 pairs of full-fashioned silk (now nylon) hosiery per year which she will buy if she is the "average" Canadian woman over 15 years old.

Fashion designers are having a field day with plenty of material to work with. The longer length "new look" is an old story which is now being embellished with ruffles, truffles and modified bustles "to emphasize back interest."

Probably the most "normal" feature of the textile business today from the consumer's viewpoint is the evidence of real selling interest on the part of retailers. Lower prices offered in sales and "specials" are again making it possible for the keen shopper to afford two dresses where she would have bought only one a year or two ago.

Still Above Prewar

Most textile men today are ready to admit that business in their industry is about as close to normal as it will ever be. Admittedly production has slowed down from wartime pace and backlogs of postwar orders have been largely filled.

But the fact is that the industry is still operating well above prewar levels anyway you want to look at it—dollar sales, wages, volume of production and profits. An article elsewhere in this issue reveals that profits of 12 textile companies last year were three to four times above prewar, working capital about doubled. The high cost of doing business today makes these essential but the increases have nonetheless been achieved.

Last year the per capita supply of textile fabrics (production plus imports, less exports) was 43% above 1938. Cotton consumption was up 44%, rayon 196%, full-fashioned hosiery 20% and wool fabrics 74% higher.

Production in the first quarter of 1949 was from 5% to 15% higher than last year and continued on into the early weeks of April. Since then output has tapered off due to heavy imports. But retail sales indicate that there has been no falling off in demand. In the first three months retail sales were 15% above last year. And as recently as April department store sales of textile showed substantial increases in dollar value for all lines except piece goods.

Women's dresses, coats and suits were up 32% and men's and boy's clothing up 26.4%. These increases in dollar volume of sales were achieved without the benefit of sharp increases in prices, although both men's and women's suits were marked up moderately from last year.

By and large the textile business is pretty well in balance whether you are a buyer or a seller. The reaction of some in the industry to this state of "normalcy" has been to take a somewhat bearish stand on the future.

Most, however, take a more realistic view and realize that the chronic state of short-supply over the past three years could not last forever. Meanwhile they are keeping a sharp eye on the market.

What is the state of the market? Where is the strength and where the weak spots? Following is a brief summary:

Raw Materials

COTTON—Raw cotton prices are down only slightly from last year. Spot market price for 15/16" cotton in June was 33.35 cents compared with 38.78 cents a year ago. It is expected that the cotton crop in United States this year will be in excess of 1948. As a result there is a possibility of lower raw cotton prices over the balance of 1949. However, cotton prices supported by U. S. farm loan program cannot drop significantly below present levels.

WOOL — Wool purchases declined slightly in the early part of 1949 since many mills acquired inventory in October last year when prices declined slightly. In May, however, it was reported that substantial sales were made of greasy and scoured wools.

This is attributed to low stocks in the hands of the mills and a price decline around the end of the first quarter. There is still an apparent shortage of high-grade merino wool. Canadian mill men feel that current raw wool prices are too high in relation to end-product prices. Most are maintaining a cautious buying policy.

Production

COTTON—Bale openings of raw cotton for the first five months of 1949 totaled 168,180 which was 3.3% above 1948. Bale openings in May were the lowest in nine months but only about 6% below May of last year.

As expected, primary cotton production has declined since its wartime peaks. In 1944 the industry operated at 126% of single-shift capacity. This dropped to 121% the following year, 119% in 1946 and 110% in 1947.

Production in 1948 would represent a substantial increase on this basis.

Primary cotton production is expected to be on the slow side this summer. Some mills have stopped Saturday work and some others are reducing the number of shifts. Producers are likely to remain cautious until September at least.

WOOL—Most mills are presently operating below capacity. Wool textile mills are completing fall and winter orders. A lull in operations may occur toward the end of July when these bookings are filled. From then until fall it will be a question of sizing up the market for spring goods.

Knitted goods manufacturers are curtailing production to some extent but this may be a return to the prewar seasonal pattern when the knitted goods industry always experienced a lull during the late spring and early summer. No serious cutback in output is anticipated. Canadian capacity for knitted goods is equal to domestic market demand.

RAYON—Production of rayon and rayon-mixed fabrics, reached an all-time high in 1948 with an output of 115 million yards, compared with 88 million yards in 1947. In the first quarter of 1949 output exceeded last year's level.

A greatly increased supply of rayon fabrics is said to have slowed up production in the weaving, finishing and dyeing plants. An increase in rayon staple fibre is anticipated this year with Courtaulds (Canada) new staple fibre plant coming into production.

Primary rayon producers are expected to operate at close to capacity levels this year to supply the demand for filament yarn and staple fibre. Fabric manufacturers think they may be required to reduce output but definite forecasts are contingent on demand for fall and winter materials.

NYLON—Production of nylon filament yarn in 1949 is expected to total about 2,750,000 lb. or 250,000 lb. above last year. Staple fibre will run about 500,000 lb., an increase of 300,000 over 1948 according to present plans.

Imports

COTTON—A substantial increase in imports of cotton piece goods in the first quarter of 1949 is reported with a total of 15.9 million pounds compared with 7.6 million in the same period last year.

Imports from both United States and United Kingdom are well above last year. First quarter imports from U. K. were at the annual rate of approximately 43 million square yards compared with actual imports last year of 36.4 millions. U. S. cotton entries in the first quarter were at a rate of 236 million square yards as against 159 million actual in 1948. U. K. cotton fabrics at the end of 1948 were entering at about the prewar rate.

The U. K. export target for 1949 was 100 million yards to Canada but it is probable that we will get about 80 million yards. U. S. imports are likely to continue at high levels. Importers with quotas have been buying up to the limit of their permits to take advantage of current low prices of U. S. cottons. The decline in cloth prices has increased the volume of goods available under quota.

Reimposition of the Most-Favored-Nation tariff rates on July 1 may have some effect in curtailing U. S. imports but cotton fabric users had bought heavily prior to this date in anticipation of higher landed prices.

WOOL—Imports of woven fabric of wool or containing wool in 1948 totaled 17.4 million yards, an increase of approximately 25% over the previous year. Imports this year may be somewhat lower should buyers hold off their forward commitments in anticipation of lower prices. There has been no marked drop in imports, thus far, reports state.

Czechoslovakia and France are again entering the market it is stated, although offerings from these sources are comparatively small. Bulk of woolen goods imports are from United Kingdom.

RAYON—Imports of rayon yarns and staple fibre in the first quarter of 1949 were substantially above last year. Yarn imports were up approximately 1.8 million pounds and staple fibre about 700,000 pounds. Increased domestic production of both yarn and staple is expected to make Canada virtually self-sufficient in rayon yarns and staple fibre.

An increase in imports of rayon fabrics was also reported in the first quarter this year. The 1949 figure was 1.6 million pounds compared with 956,737 pounds in the first three months of 1948.

In 1948 Canada imported 19.6 million yards of rayon fabrics which compares with the estimated 115 million yards of domestic production. Rayon men are watching for increases in imports from United Kingdom, United States and possibly Japan.

Supply, Demand, Prices

COTTON—There has been no noticeable slackening in demand but there is said to be at least a temporary oversupply. Last year the supply of cottons was just about in balance with demand but heavy buying in the first quarter of 1949 prompted by lower U. S. prices has created a surplus of some lines, particularly industrial fabrics and bag cloth. As mentioned above reimposition of tariffs will have a deterrent effect on U. S. imports, starting July 1.

The heavy influx of low-priced U. S. goods over the past three months has tended to discourage forward-buying by stores and wholesalers. They, of course, are holding back hoping for lower prices. The possibility of lower Canadian mill prices this autumn will likely prompt buyers to continue their wait-and-see position.

Meanwhile, mill prices are likely to hold reasonably firm. Some mill men are anticipating stiffer competition from U. K. cottons when the demand in the soft currency markets has been met. Until then, however, it is more profitable for U. K. producers to sell to the sterling market.

In general there will be plenty of cottons for everyone with the trend toward oversupply. Prices may decline over the balance of the year but a definite pattern is not likely to become evident until fall. Watch for producers' efforts to introduce high-styling in women's cotton dresses.

WOOL—Demand for woolen goods is reported as "good to very good." Stiff competition from U. K. woolens and worsteds is reported with British manufacturers having reduced prices reflecting lower raw material costs. There will be adequate supply of all types of woolen and knitted goods this year and possibly some oversupply in the fourth quarter due primarily to increased imports, if these are maintained at present levels.

Domestic mills producing fabrics competitive in quality as well as price are hoping to sell all they can manufacture. Some in the industry are talking about 5% to 10% price reductions later this year in a highly competitive market.

RAYON — Demand for rayons remains strong and is likely to show smaller variation than either wool or cotton. Supply in 1949 will meet demand it is expected with some possibility of small surpluses in the fourth quarter. There is a trend toward easier price levels due to increased competition among domestic producers and also from imported rayon fabrics.

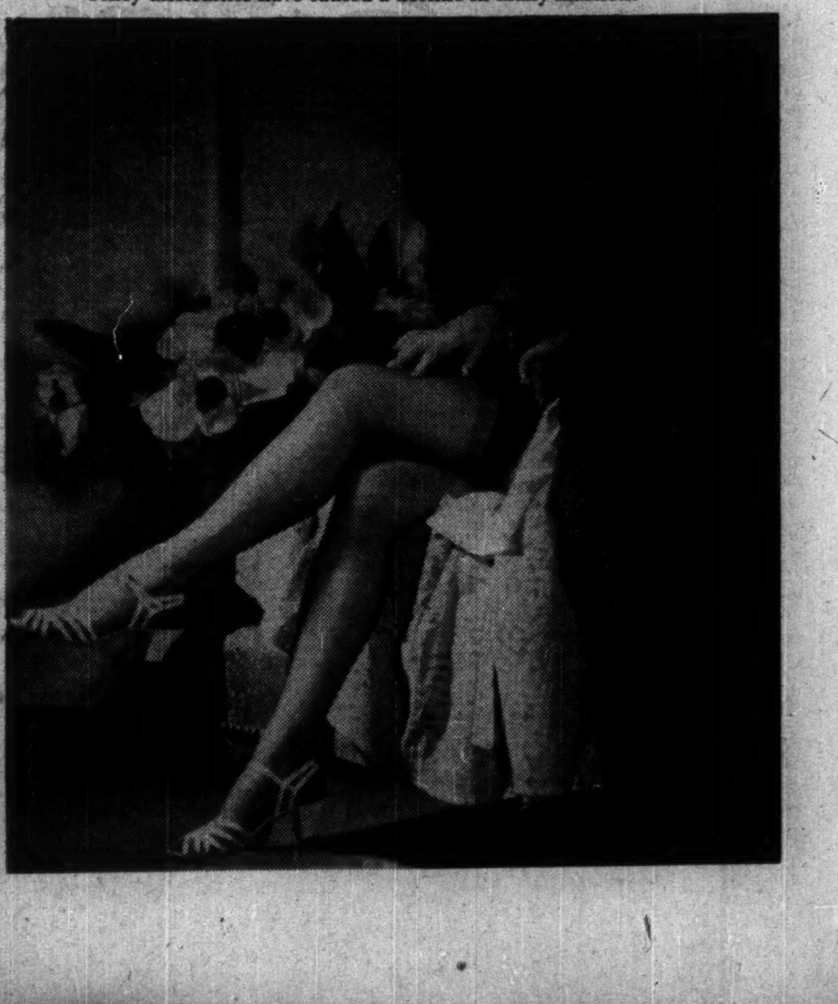
In 1949, Canada will have a completely integrated rayon industry capable of meeting all domestic demand and surplus for export.

NYLON—Nylon, still a comparatively new fibre, is in strong demand but at the same time new uses are being sought for the

(Continued on page 30)

EXPORTS

Full-fashioned stockings form a sizeable part of the export trade of Canada's textile industry. Prewar Canada was one of the world's largest suppliers of milady's hosiery. Exports in postwar years, however, have not averaged half the prewar level of around 500,000 dozen pairs a year. Currently 34 countries are buyers of around 200,000 dozen pairs. Currency difficulties have caused a decline in many markets.



Textile Industry Builds for Future

Here's How Ontario School Trains Men For Technical Jobs

By RONALD WILLIAMS

He doesn't know it yet, but an 18-year-old youth in a Southwestern Ontario town is already slated to be the manager of one of the province's bigger textile mills. When he worked there last summer he showed he had what this firm wants.

He doesn't know this either but he's something of a symbol to the whole primary textile industry — a symbol of a revitalizing process which is changing its whole outlook.

Hundreds of millions of dollars have been spent in the past 10 years on new machinery, plant modernization and expansion. Millions more are being spent on research, on new techniques and products.

But without skilled technicians and administrators the vastly expanded industry would be like a racehorse without a jockey. To make the tremendous capital expenditure worth while, there had to be a flow of fully trained young men capable of accepting high responsibility.

In the past they had come spasmodically from the mills of Lancashire or the United States. There was no steady flow and no assurance the industry would get what it wanted. After the war someone put into words the question a lot had been thinking about: Why not start our own stream of Canadian technicians?

Out of this grew, first, the St. Hyacinthe Textile School in Quebec and then the Provincial Institute of Textiles at Hamilton, Ont. This September the first class will graduate from St. Hyacinthe, after a course lasting four years. They will be Canada's first textile school graduates. Every one of them could have five or six jobs, the demand for their services is so great.

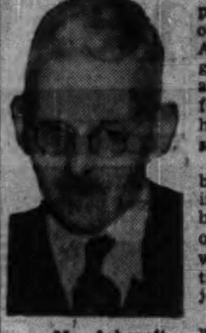
Ontario's Program

Next year the first Ontario crop will get their diplomas. One of them will be the youth who has been picked as a future manager. Another will be a GI from New York whose tuition fees are being paid by the U.S. government. There's a Canadian-Chinese graduate of the University of British Columbia; another is the son of an Ontario M.P. whose family is a household word in the textile industry.

Some are paying their own way, others are going through on scholarships given by their firms. One Ontario firm gives two $1,000 scholarships annually. A Quebec firm is spending $26,000 a year on 23 students; another has set up a $4,000 bursary. Some firms pay tuition fees and their protegees' full pay as well.

In Ontario, where the full-time day school has been running only two years, the industry has kicked in with well over $200,000 in cash and equipment, first to get the school going and second, to finance students. The school building is supplied by the Ontario Government's Department of Education which also foots the bill for instructors and principal under its technical training program.

To find out something about this ambitious industrial educational program, The Post went to Hamilton last week to see the school and talk to its principal, Cyril Cropton Ashcroft. The school is the old Ontario Training College for Technical Teachers and is located on Wentworth St. in the shadow of Hamilton's big Technical school. The Training College is now part of the University of Toronto. Principal Ashcroft could have gone along and become a professor but he preferred to stay on as head of the new textile school.



Mr. Ashcroft

"I thought it would be different and exciting," he said. "It has been. I think I'm part of an organization which is doing an extremely worth-while job."

Ashcroft, who never wears a necktie unless he has to, will be remembered by hundreds of young Army and Air Force recruits as head of first, the Army Trades School and then the RCAF pre-Aircrew training unit. Both were located in the building now housing the textile school.

Started with Night Classes

The school opened its doors in 1946 for night classes only. Students were and still are mainly production workers who want to learn something more than their routine job. The 1948-1949 season saw 232 night class students from as far away as 80 miles. In most cases employers supplied transportation. Their ages range from 16-53.

The full-time school opened its doors in 1947. Against the night class objective of merely "upgrading," this course is designed to give broad training in basic textile theory and application, followed by specialization in the line of the student's choice. The annual intake goal is between 30 and 40. Enrollment has not yet reached this volume; present roster is 26 of which 11 will graduate next year.

Hampering factors in full enrollment, according to Principal Ashcroft, are: (a) getting the word around to those who can profit by the school, particularly in senior grades in secondary schools and (b) because of the acute shortage of technical help, some textile mills are reluctant to give employees leave of absence to attend.

To overcome the first obstacle, notices were posted in all secondary schools advising students of the opportunities in the industry. To overcome the second, a circular was distributed throughout the industry pointing up the long-range advantages of technical training.

Results of the industry appeal have been encouraging. At present, six of the biggest Ontario firms are sponsoring students, another nine plan to do so or offer a scholarship, while another four will broaden their sponsorship program.

Design of the Course

What does the full-time Ontario course consist of?

All first year students take a basic course. This covers each of the main systems of primary textile manufacturing. In the second and third years the student majors in one of five courses but also selects a minor subject from one of the others. Second and third year courses are: woolen and worsted spinning; knitting, weaving; dyeing and finishing. Optional courses in third year include: Applied electricity; Mechanical drawing; English; history of industry; industrial psychology, mathematics, mill engineering and management.

This gives the student a specialized technical education in one of the major phases of textile manufacturing plus a general knowledge of related fields.

How about equipment? The Ontario school is a small edition of mills engaged in every textile line. Value of equipment runs in tens of thousands. Some was bought outright by the Ontario Government; some was bought with cash donated by industry; some machines are on loan.

The school has two well-equipped laboratories and is getting a pilot-type dyehouse. It has complete cotton, woolen and worsted units; numerous looms, both hand and mechanical, and knitting machines. The Quebec school at St. Hyacinthe is even better equipped.

Tuition fee in Ontario is $25 for residents of Ontario, $200 outside. In Quebec it's $40 for residents, $100 for outsiders. Entrance requirements in Ontario are Secondary School diploma (Grade 12) or completion of any other course satisfactory to the Institute together with approved industrial experience. Quebec requires ninth grade certificates or the equivalent. After a year of general study, the student selects one of three courses. On graduation, if he's a sponsored student, he must go to work for his sponsor for at least a year. If he is on his own, he is free to choose any of half a dozen jobs which will be open. Here and in the United States, where textile schools have been running as long as 60 years, the demand for graduates far exceeds supply. In the U. S. 900 students will graduate this year.

What percentage of the total jobs are "technical" and thus open to graduates and how much can they expect to earn?

Principal Ashcroft of the Ontario school has prepared a chart which shows technical jobs represent somewhere between 4% and 7% of the total. The latest figures show about 96,000 men and women employed in primary textiles in 200 towns and cities. Between 3,600 and 6,300 of these jobs are technical. Currently, the two Canadian textile schools have about 450 students enrolled between them (422 in Quebec; 26 in Ontario). Another 13 Canadians are on course at Philadelphia's famous school.

Earn Higher Salaries

How about salaries? The range varies, depending on the mill, the job seeker's experience, qualification and seniority. Principal Ashcroft's survey indicates a technical assistant can earn anywhere from $28.80-$65 weekly. Other classifications:

Assistant foreman, $35-$75
Foreman, $42-$90
Department Manager, $2,400-$10,000 yearly
Assist. Superintendent, $2,400-$10,000
Superintendent, $3,000-$12,000
Mill Manager, $4,000-$20,000

Other jobs open to students include designers, technical consultants, sales staff, costing, production control, all of which pay anywhere from $42-$90 a week.

But this is only the beginning to far-sighted men in the textile industry who have been striving for years to put the industry on a sound technological basis.

Modernization, Expansion Under Way in Many Mills

The textile stage is pretty well set for another stern bout of competition. Only thing new about this for the Canadian industry is that as far as modern plant and equipment is concerned, it will be in a better position to battle for markets than at any time in its long history.

In its drive to live up to expanded postwar markets, the effort of the Canadian textile industry is unique. In the years 1945 to 1948 inclusive capital expenditures on machinery and new plant amounted to some $135 millions, equal to 40% of the entire capital investment in the industry in 1939. What's more, new installations are now going on at close to last year's record pace.

When charges of over-expansion are brought against the industry, cost statistics reveal that of every $4 spent on machinery and equipment only $1 has been spent on new or extended plant. A good part of the new machinery purchases represented replacement of obsolete, inefficient, and in some cases worn-out equipment. Although purchases have been made at postwar inflated prices—on the average anywhere from 70% to 100% above prewar—they are already paying off and helping counteract rising raw material and labor costs. With the current slowness of raw material prices to ease back to more realistic levels, more in line with declining demand and increasing price resistance at the retail level, it is more important than ever to get the maximum worth out of each pound of raw material.

Of total expenditures on plant and equipment, production of synthetic fibres, yarns and fabrics is accounting for around 30%, the cotton textile industry around 25%; woolen industry another 25%; the remaining 20% being spent on facilities for production of miscellaneous textiles. Many mills are just now catching up on special equipment that became available prior to World War II. This applies to automatic looms in woollen and worsted weaving, high-speed cards and spinning frames in the wool and cotton sections, modern dyeing machinery and much equipment for knitted goods manufacture.

Many of the larger full-fashioned hosiery plants are installing high-speed, fine-gauge, automatic knitting equipment. These machines are more efficient and will turn out a 60-gauge product as against the finest prewar gauge of 51. Cost of these machines—mostly purchased in U.S.—laid down in Canada run around $35,000-$45,000. Although the hosiery export market has been hard hit by currency difficulties, manufacturers are determined to get in as strong a competitive position as possible.

One of the more spectacular machines to be installed recently by woollen and worsted firms is the Abbott Automatic Winder. This consists of a number of spindles of yarn moving about on a revolving circular track. As the yarn is wound off one spindle, the end of it is automatically knotted to the yarn on the next spindle forming a continuous thread. The old machines were stationary and an employee had to move around them tying the ends of the yarn by hand.

During 1946, the Canadian textile industry imported a record $22.7 millions of machinery into this country. During the same year, total value of planned expenditures in the industry totaled $52.7, or 14% of the $309.7 million planned by all of Canada's manufacturing industries.

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AND
LEISURE WEAR

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Windbreakers • Cardigans • Pullovers

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CARLETON PLACE, ONT.

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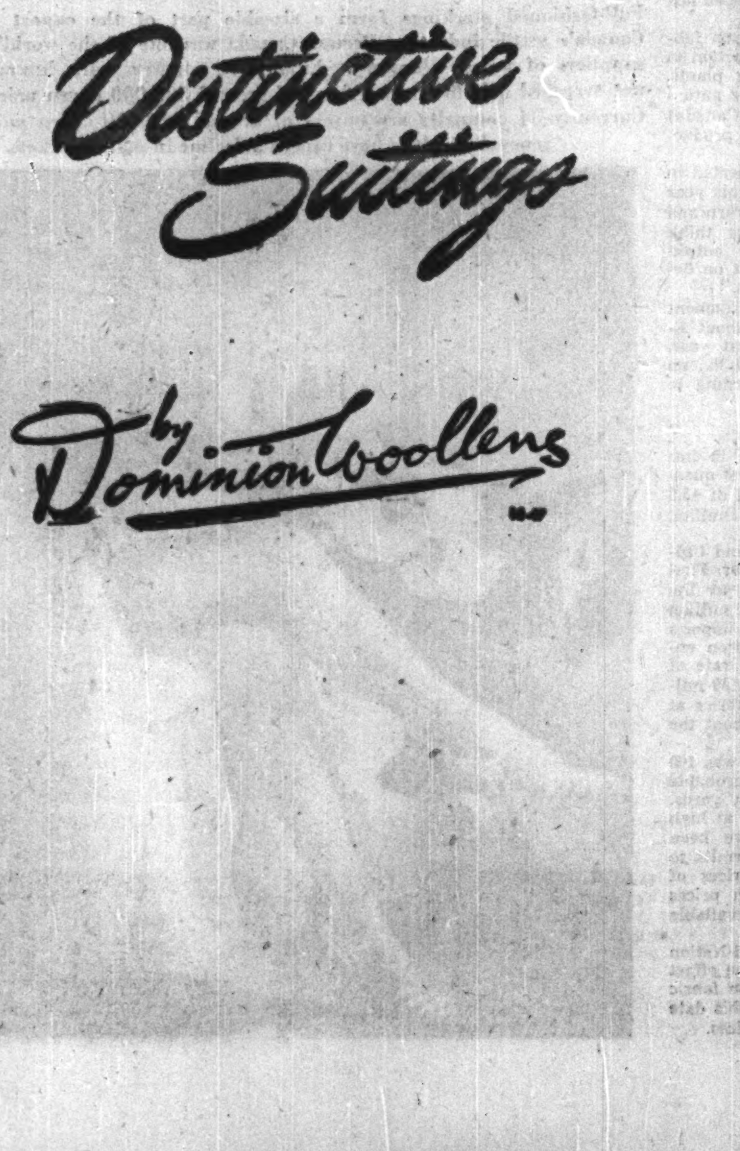

Distinctive Suitings
by Dominion Woollens

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PACIFIC MILLS, LTD. net profit for the year ended April 30, 1949, was up 32.1%. Sales dollar volume increased 18% to $20,440,933 and reflects benefit of price increases. Volume was also higher as a result of bringing into operation additional power facilities. During the last quarter, however, pulp prices softened and a reduction in paper demand was experienced indicating a downward trend for the near future, the annual report states.

Record production of pulp and paper was 6% higher than for previous year. Expenditures on capital assets amounted to $1,592,000, principal item being completion of steam generator and turbine, replacement of three kraft digesters, installment of a hot acid accumulator, and purchase of a new deepseas tug.

Working capital position improved by 42%.

INCOME ACCOUNT

Year Ended Apr. 30:	1949	1948
Sales	$20,440,933	$17,306,451
Net earnings	6,276,352	4,893,694
Less: Depr. & amort.	960,100	882,058
Depletion	93,769	97,979
Pension fund	63,237	62,854
Income tax	1,855,951	1,468,100
Add: Profit on assets	......	99,669
Net profit	3,283,295	2,484,372
Less: Pref. divds.	119,934	119,934
Com. divds.	750,000	900,000
Surplus for year	2,413,361	1,464,438
Earnings per Share and Dividend Record:		
Preferred	$164.26	$124.29
Paid	6.00	6.00
Common	10.54	7.88
Paid (new)	2.50	2.50
Paid (old)	......	2.00

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1949	1948
Cash	$1,179,159	$359,029
Dom. bonds	1,002,750	......
Accts., etc., rec.	2,492,729	1,619,999
Inventories	6,119,926	6,115,083
Total curr. assets	10,794,564	8,094,121
Def. chgs.	432,399	441,861
Misc. assets♦	167,438	238,628
Fixed assets*	17,472,266	16,985,265
Total assets	28,866,667	25,759,872
Accts., etc., pay.	1,315,008	1,819,333
Taxes pay.	1,058,778	361,019
Total curr. liabs.	2,373,786	2,180,352
Invent. res.	500,000	......
Capital stock	9,498,900	9,498,900
Earned surplus	16,493,961	14,080,620
♦Inc. ref. EPT	37,764	110,250
*After depr.	19,103,969	18,606,557
Working capital	8,420,778	5,913,769

CITY OF SILLERY, Que., has sold $345,000 3% bonds due July 1, 1950-69 to Gairdner & Co., Dudley Dawson Ltd., McTaggart, Hannaford, Birks & Gordon & Co. and J. T. Gendron Inc. Price was 96.037 for net cost of 3.409%. Proceeds are for various works, debt reimbursements and equipping of playgrounds. Net consolidated debt of city at Dec. 31, 1948, was $1,515,338; population, 8,000.

SILVER MILLER MINES has received payment for 55,000 shares at 32 cents a share, representing part of July 1 option installment and an extension on balance of the option to July 15 has been granted pursuant to terms of the financial agreement. A total of 2,294,942 shares are outstanding, the Toronto Stock Exchange reports.

He's Cutting
Down
the Cost

of a New Suit

Rayon, a product of Canadian forests, is being used more and more extensively to clothe Canadian men. Canadian women, quicker to appreciate the inherent qualities of rayon, have long enjoyed the advantages offered by fine rayon garments—now it is the men's turn.

Over the years textile manufacturers, working with the rayon industry, have been able to develop many new and improved uses for this versatile, economical fibre.

One of the most recent examples of new rayon developments is seen in men's and women's suitings. Today people are buying smart-looking, fine-wearing suits, at *reasonable prices*, made of rayon either alone or in blends with wool.

Manufacturers, faced with consumer resistance to high-priced traditional fabrics, are now doing a big business in the new, more handsome, but less expensive rayons.

Rayon — made in Canada — has once again demonstrated its ability to build business in the face of sharply rising costs. Rayon has once again emphasized the important part it plays in the Canadian economy.

Although Courtaulds (Canada) Limited is a producer of rayon yarns and staple fibre only, the Company for many years has pioneered in the development of new and improved uses for rayon. The technical and research facilities of Courtaulds are always at the disposal of the textile industry.

Courtaulds (CANADA) Limited
PRODUCERS OF RAYON YARN AND STAPLE FIBRE
Sales Offices: Montreal and Toronto
Head Office: Cornwall, Ont.

Higher Domestic Production, Import Rise Bring Cotton Goods in Abundant Supply

There was an abundant supply of cotton goods at the end of the second quarter this year. This was due to a 10% increase in domestic production in the first three months and a substantial rise in imports, particularly from United States. If consumer demands remain at present levels, however, present inventories may be worked off with comparatively small effect on the producing mills.

Some decline in production and imports may take place in the third quarter but domestic mills are likely to maintain 1949 output at or near the first quarter levels. Since the first of July cotton manufacturers have been watching for any effect which the Geneva Tariffs will have on U. S. cotton imports. The average increase on present U. S. and U. K. prices under the Geneva tariffs will be 15% to 17%.

Canadian production of cotton piece goods in 1948 totaled an estimated 260 million yards, an increase of 30 million yards over the previous year. Imports declined substantially, due largely to import restrictions, and this resulted in an apparent Canadian consumption of about 450 million yards, down 60 million yards from 1947.

An increase in the supply of cotton goods has made buyers price-conscious. It is believed prices of some cottons may decline over the balance of the year but a definite pattern is not likely to become evident until fall. Meanwhile prices are holding reasonably firm.

Canadian Cottons

Canadian Cottons Ltd. manufactures cotton piece goods including denims, suitings, tickings, shirtings, ginghams, dress goods, flannelette, eiderdowns, sheetings, blankets, etc., hosiery and warp yarns, twines, artificial silk fabrics, curtain materials, gauze and other sanitary supplies. The company has the exclusive spinning rights in Canada for Vistra fibre and Sage yarn.

Six mills are owned and operated by the company: Ontario mill at Hamilton, Ont.; Stormont, Dundas, and Canada mills at Cornwall, Ont.; St. Croix mills at Milltown, N.B.; and Gibson mill at Marysville, N.B. The company also owns water powers at Milltown and Cornwall and operates an auxiliary steam electric plant at Milltown.

Two mills are operated at Saint John, N.B., by a subsidiary and in October, 1948, a new plant was purchased at Cornwall which is being operated by Glengarry Cottons Ltd., a wholly owned subsidiary formed for this purpose. Production from the subsidiary provides a new line of products for the company including marquisette cloth for curtains, and sanitary supplies such as gauze for bandages.

Volume of sales was at a high level during 1948 as a result of the high level of demand for the company's merchandise. Net profit for the fiscal year ended March 31, 1949, amounted to $1,157,929 ($886,479 in the previous year) equal to $7.01 on the preferred and $6.93 per share common $5.36 and $4.97 respectively).

Inventories at March 31, 1949, were valued at $5,127,919 compared with $5,101,987 at March 31, 1948. Working capital declined slightly from $8,914,127 to $8,649,304. Increase of $650,000 as investments in subsidiaries reflects the addition of the new plant at Cornwall.

So long as current conditions continue operating results should be reasonably satisfactory, the annual report states, although it is possible the decline in the cotton textile industry in the United States may extend to Canada in the coming year.

Cosmos Imperial

Cosmos Imperial Mills Ltd., manufacturers of heavier grades of cotton duck, used for making vessel sails, mechanical belting and hose, railway car roofings, binder canvasses, tarpaulins, tents, awnings, filters and cotton dryer felts used on paper-making machines. Brand names are "Yarmouth" "Ontario" and "Imperial." Plants are located at Hamilton, Ont., and Yarmouth, N.S., with combined equipment of approximately 27,028 spindles and 218 looms.

The volume of production and sales increased moderately in 1948 as a result of improved operating conditions. A continuing good demand is anticipated over the near future, though customers are limiting their commitments to a shorter term than heretofore the annual report states.

Net earnings for 1948 amounted to $614,837, compared with $521,388 for 1947. Net profit was also higher at $229,357 ($199,802) equal to $2.29 on the common stock compared with $2 in 1947.

The program of modernization and renewal of plants is nearing completion. A total of $455,675 was spent in 1948 and the program is expected to involve the investment of approximately $1 million when completed. The resulting increase in efficiency is expected to add to the stability of the company's operations.

In December, 1948, an amount of $500,000, 3% 10 years' serial debentures was issued, the proceeds to be used for general corporate purposes. Subdivision of the common stock into new common shares on a two for one basis was approved by shareholders at a special meeting held March 1, 1949. Present capitalization consists of 200,000 common shares, no par value. Funded debt outstanding amounts to $576,000.

Dom. Fabrics

Dominion Fabrics Ltd. is engaged in the manufacture of towels, face cloths, bedspreads, tapestries and draperies. The company operates plants at Dunnville and Welland, Ont. The Welland plant is leased from Dominion Yarns Ltd., a wholly owned subsidiary, for spinning of yarn for the company's products. Combined operations comprise complete process from raw cotton to finished product, including spinning, winding, weaving, dyeing, bleaching and finishing.

A substantial program of rehabilitation is under way to overcome present abnormally high maintenance costs. During 1948 $120,000 was spent on plant improvement and an amount of $150,000 has been budgeted for 1949.

American raw cotton in inventory at Dec. 31, 1948, had an average cost value of 33.2c lb. compared with the prewar average of 11.7c. In view of recent price declines in the U. S. commodity markets, directors have made provision for future declines in inventory values, the annual report states, and an inventory reserve of $50,000 has been set up.

Net profit in 1948 amounted to $152,019 ($141,292) equal to $16.89 per share 1st preferred, $6.25 on the second preferred and $1.36 per common share ($15.70, $5.71 and $1.20 respectively in 1947). After provision of $113,000 for dividend requirements, an amount of $39,019 was transferred to surplus.

Conditions for the first four months of the current year have shown a slight reduction from the corresponding 1948 period and a possible reduction of 10% for the full year is anticipated, the company states. Sales, earnings and operating expenses are all down and this trend is expected to continue for the balance of the year.

Dominion Textile

Dominion Textile Co. operates nine plants in Quebec province: five in Montreal and suburbs, two at Magog, one at Montmorency Falls and one at Sherbrooke. Total acreage is approximately 80 acres and they contain about 9,300 looms and 463,000 spindles. At Magog and Montmorency Falls, the company has power developments to supply its mills.

In 1948 the company acquired complete control of Montreal Cottons Ltd. which manufactures cotton and rayon yarn and fabrics at Valleyfield, Que. Another wholly owned subsidiary, Drummondville Cotton Co. manufactures tire cord, chafer fabrics, heavy ducks, Seine twines, fish nets, cotton ropes, and seaming twines at Drummondville, Que.

A joint interest is held in Dominion Burlington Mills Ltd. in partnership with Burlington Mills Corp of Greensboro, N. C. This company operates two plants at Montreal and Sherbrooke for rayon dress fabrics and suitings. Dominion Textile also owns a substantial interest in the common stock of Caldwell Linen Mills Ltd., Iroquois, Ont., which manufactures cotton bath towels and linen crash towelling.

A woodworking subsidiary, Industrial Speciality Mfg. Co., produces bobbins, spools and other textile mill supply articles at Magog. Another subsidiary, Flax Industries Ltd., is engaged in spinning linen yarn from flax and tow at Drummondville.

The company has been carrying out a program of plant rehabilitation and improvement, with major projects under way or contemplated at its Mount Royal and St. Anne Mills in Montreal and at the Magog Cotton Mill and Magog Print Works with less important expenditures in 5 other units. Some $10 millions has already been spent on this group of projects with at least a further $7½ millions in prospect. At March 31, 1949, definite commitments under the program amounted to $4,883,000. A total of $5,404,700 was invested in physical assets in the year ended March 31, 1949. To assist in financing these undertakings, $1.5 million 3½% Series B bonds due 1963 were issued in September, 1948. In addition the company has outstanding $3.5 million 3½% series A bonds due 1959 and $100,000 2¾% serial bonds due Sept. 1, 1949.

Sales of the company together with its subsidiaries and affiliated companies amounted to more than $100 millions in the fiscal year ended March 31, 1949. Net profit was up 80.8% at $5,352,475 compared with $2,834,832 in the previous fiscal year. Per share earnings amounted to $275.82 per preferred and $2.03 on the common compared with $146.08 and $1.05 respectively in the previous year.

Working capital showed improvement at $16,277,192 at March 31, 1949 against $13,946,811 at the end of the 1948 fiscal year. Inventories were higher at $6,260,667 compared with $5,175,630.

Esmond Mills

Esmond Mills Ltd. manufactures the Esmond line of blankets, bathrobe material of cotton and part wool and napped fabrics. Mills are located at Granby, Que., and Perth, Ont., and executive and sales offices in Montreal.

As a result of the sale of the assets of Esmond Mills Inc., the former parent of Esmond Mills Ltd., all the outstanding common shares of the latter were acquired by Textron Inc. in 1948. In December, 1948, Esmond Mills Ltd. sold privately $400,000 4½% first mortgage bonds due Dec. 1, 1963. The company also converted 16,000 of the outstanding 36,000 common shares of no par value into 1,600 5% second preferred shares $100 par, and Textron Inc., disposed of all the second preferred shares and the remaining common shares to interests identified with Beacon Manufacturing Co. of the United States.

Capitalization now consists of $400,000 4½% bonds; 25,000 authorized, 16,000 outstanding 5% cumulative $20 par first preferred shares; 1,600 authorized and issued 5% $100 par second preferred shares; 24,000 authorized, 20,000 outstanding no par value common shares.

During 1948 the subsidiary, Esmond Mills (Ontario) Ltd., ceased operating concurrently with the acquisition of its assets and the absorption of its operation by the parent company.

Net profits for the year ended Jan. 1, 1949, were 11.1% above the previous year, at $104,132 ($93,682), equal to $7.04 per share preferred and $2.48 per share common ($6.25 and $2.19).

Inventories were up at $346,090, compared with $257,713 at Jan. 1, 1948. Working capital increased from $414,031 to $505,850 at Jan. 1, 1949.

Little reduction has been seen in the number and value of orders received to date, the company reports, and an increase in the value of sales is expected for the balance of the year and early part of next year, although intensified sales efforts will be necessary to maintain retail sales at the level of the past two years.

Additional machinery and binding equipment was put in this spring, and the company plans some construction work and extensions at the Granby plant, which will include further weave room floor space, also additional carding, spinning and finishing equipment.

The plant in Perth has been running full time, and prospects are good for continuation of this throughout the year, the company reports.

Hamilton Cotton

The Hamilton Cotton Co. Ltd. spins, weaves and manufactures a diversity of products including elastic webbing, webbing for straps; yarn and twine; cordage products such as clotheslines, sash cords; and cotton cloth such as drills, osnaburg, etc. The company spins all its own yarn, and has a surplus of 55% which is sold. In addition, it does all its own dyeing and bleaching and custom work in dyeing and bleaching brings additional revenue each year. Products are distributed throughout Canada through various selling agents, and also to British West Indies and New Zealand.

The main plant is located at Hamilton, Ont., and has a floor space for manufacturing purposes of over 275,000 square feet. A plant in Dundas, Ont., in operation since November, 1946, has a space of 75,000 square feet. A subsidiary, Trenton Cotton Co., operates a plant at Trenton, Ont., with a floor space of 75,000 square feet. The heavy program of installation of new machinery and rearrangement of the plant is now nearing completion. When completed, approximately $1,500,000 will have been spent on new and improved facilities since the beginning of 1946.

Production and sales showed some increase during 1948. Trading profits were reduced, however, owing to delays and interruptions caused by installation of new machinery and rearrangement of plant and to the extra cost involved in this work. Net profit in 1948 amounted to $124,924 compared with $133,456 in 1947. Earnings per share amounted to $1.56 slightly below the $1.67 shown in 1947. Dividends have been maintained at 90c per share per annum since 1943. After provision of $72,000 for common dividends, an amount of $52,924 was transferred to surplus.

Working capital showed a slight decrease from $1,451,337 to $1,134,425. Cash was lower at $70,119 compared with $91,880 and inventories were down at $1,234,522 compared with $1,541,667.

Montreal Cottons

Montreal Cottons Ltd. manufactures, through its wholly-owned subsidiary, The Montreal Cotton Co., at Valleyfield, Que., plain cotton textiles and fancy goods, fine cottons and linings, artificial silk, spun rayons and cotton dress goods, shirtings, upholstery goods, and draperies. The mills also bleach, dye and finish these fabrics according to requirements.

Complete ownership of the company was acquired by Dominion Textile Co. Ltd. in 1948 through an offer to shareholders of Montreal Cottons to exchange common shares for a similar number of Dominion Textile common shares, purchase of an additional 170,000 common shares at $11.50 a share, and redemption of the outstanding preference stock in Dec. 1948.

Robinson Cotton

Robinson Cotton Mills Ltd. is engaged in the processing of cotton piece goods and wholesale merchandising of cotton. Its processing operations include bleaching, dyeing, napping and shrinking (sanforizing) on its own account and for others. The finished materials are sold to garment makers, furniture makers, automobile manufacturers, the wholesale dry goods trade, department and chain stores, etc. A large proportion of the "grey goods" which the company processes is imported.

The company's plant is located at Woodbridge, Ont., with a weekly capacity of over 1,200,000 yards of converted cloth goods. Expansion of the building to include spinning and weaving of cotton the entire output of which is to be used by the company, was recently completed. The addition to the present plant for this service was completed in 1947 and occupied early in 1948. Machinery was still being installed at the end of 1948 and came into full production early in 1949. Total cost was estimated at approximately $1 million, of which $995,454 had been spent by Dec. 18, 1948. This expansion is subject to double depreciation.

Net profit of $299,029 was shown for the year ended December 18, 1948, an increase of 4.1% from $287,271 for the previous year. Per share earnings amounted to $1.99 compared with $1.92 in 1947. Dividends at the rate of 40c per share per annum have been paid regularly since Aug. 1, 1946. Extra dividend of 10c per share paid November 1, 1948, brought 1948 payments to 50c per share.

Inventories at the end of 1948 at $1,287,322 were down from $1,895,065 at the end of 1947. Bank advances were reduced to $263,989 from $422,507. Surplus increased from $1,693,326 to $2,045,415 (reflects credit of $128,060, re life insurance claims).

Sales are being well maintained in comparison with 1948 the company states and the new spinning and weaving expansion is fully meeting expectations.

Wabasso Cotton

The Wabasso Cotton Co. Ltd. manufactures cotton yarns, fine cotton goods, including colored and while fabrics, lawns, muslins, cambrics, shirtings and artificial silk products. It operates, together with its subsidiaries, four mills with a total capacity of 1,765 looms and 107,224 spindles. The mills of the Wabasso company and of St. Maurice Valley Cotton Mills Ltd. are located at Three Rivers, and those of the Shawinigan Cotton Co. are at Shawinigan Falls and Three Rivers, Que.

Common stock was subdivided on the basis of five for one on Sept. 9, 1948. After giving effect to the stock split authorized capital consists of 525,000 no par value common shares, with 339,515 shares outstanding. Funded debt outstanding amounts to $800,000 4½% first mortgage bonds due Feb. 1, 1951.

Net profit for the year ended May 1, 1948 amounted to $459,576 ($357,728), equal to $6.72 per share, compared with $5.12 in the previous year (old stock). An initial dividend of 25c was paid on the new common stock, Jan. 3, 1949, representing an annual rate of $1 per share, which is an increase over the $4 per share per annum paid quarterly on the old stock prior to the five-for-one split.

Working capital was $2,471,076 at May 1, 1948, compared with $2,321,400 at the end of the 1947 fiscal year. Bank loan was reduced by $400,000 to $595,000. Inventories were somewhat lower, at $1,085,316, compared with $1,383,351.

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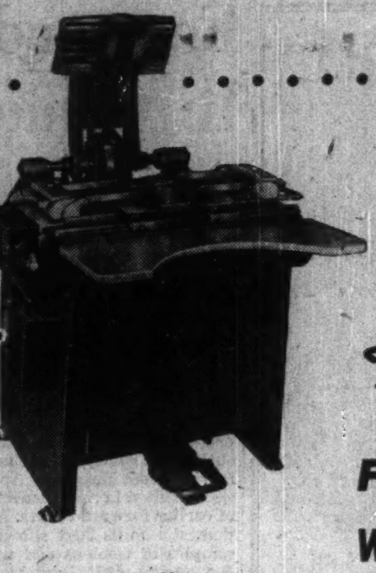

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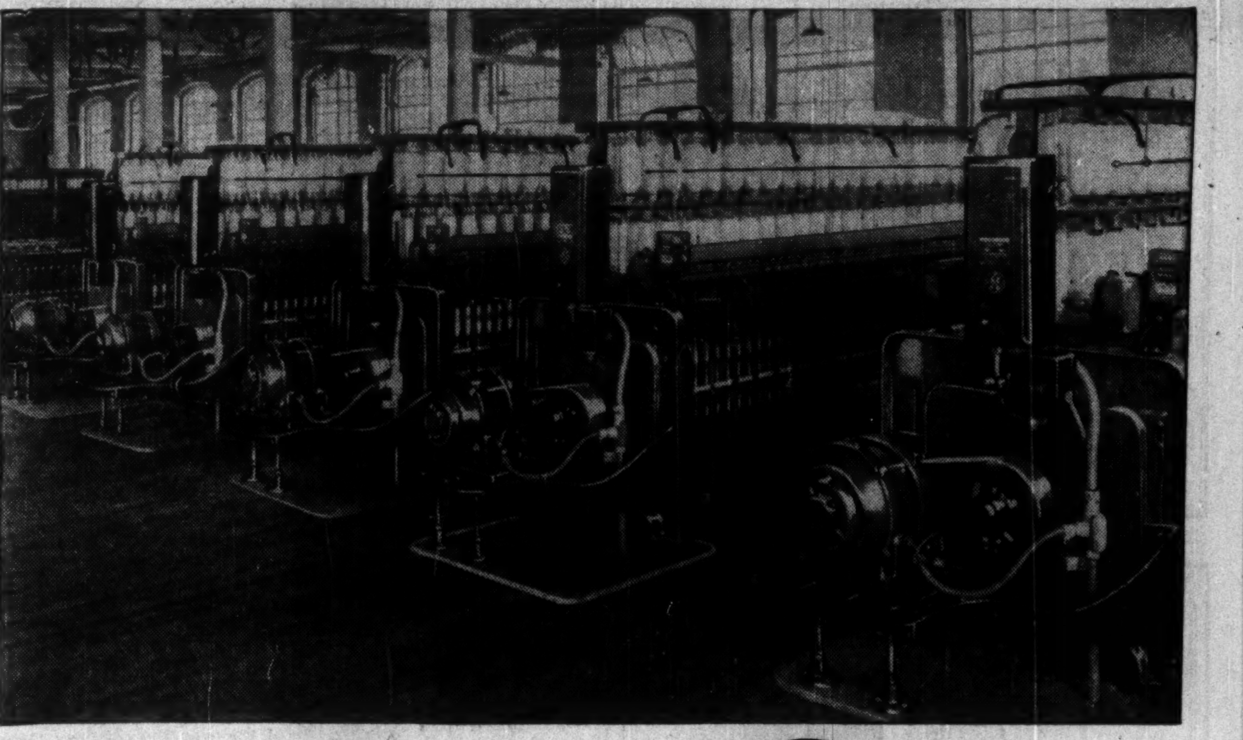

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HEAD OFFICE: TORONTO — Sales offices from Coast to Coast

Forward Buying Slows Down In Canadian Woolen Mills

Over supply from combined overseas and domestic mills plus some slight decline in domestic demand has produced a situation in the woolen textile industry where buyers have become increasingly choosey and wary of making extensive forward commitments. The current year will probably be the toughest since prewar for many companies and some drop in profits is to be expected.

Many mills, however, have substantial orders on their books for delivery up to August. After that outlook is spotty. The sharp fall in raw wool prices in April has also resulted in some cancellations of earlier forward orders. In June, domestic mills had showings of samples of woolens and worsteds for spring 1950, but purchases were reported as disappointing.

Shipments of wool fabrics from Canadian mills ran about 14% below the first four months of 1948 and some plant lay-offs have occurred. British exports to Canada, however, were maintained at the high 1948 level. The import rate of British textiles has reached the stage where some domestic mills are being affected.

In 1948, supply of woolen and worsted material was at an all-time high in Canada of 44.7 million yards, of which domestic mills produced 26.9 million yards and imports totalled 17.8 million. In the preceding year, supply was 42.2 million yards, (domestic 28 million and imports 14.2 million yards.) The rapid increase in export from overseas countries has produced quite competitive conditions in the industry. It is anticipated that this will be heightened even further in the last half of 1949.

The Canadian industry, however, is better prepared to meet competitive conditions than ever before as far as modern plant machinery and technical know-how are concerned.

Can. Co-Op Wool

Canadian Co-operative Wool Growers Ltd. is a marketing organization for Canadian wool growers, handling 70% of the total Canadian clip going through all government registered warehouses in 1948. Permanent grading warehouses are located at Weston and Carleton Place, Ont.; Lennoxville, Que., and Lethbridge, Alta. Combined floor space of these modern plants is approximately 125,00 feet, all of which is in use during the height of the wool season. During the winter months this area is utilized for supplementary operations which, together with Stockmen's Supply and Woollens Departments, add substantial revenue to the operating account. During the summer months of 1948 temporary grading warehouses were operated at Antigonish and Truro, N.S. The classed and graded wools were marketed in Canada, England and the U.S.

Although the wool clip in Canada was 20% below that of 1947, the lower production was more than offset by increased selling prices. Demand for fine wools of the Merino type was very keen, resulting in price advances of about 50% while prices of medium wools increased approximately 10%.

This trend to lower production and higher wool prices is reported to be common to the whole North American continent. Since 1942 wool production in Canada has dropped 40% and a similar situation has prevailed in the U.S. Reasons given include labor difficulties, losses from predatory animals and high meat prices in relation to wool prices. It is generally believed, however, that sheep numbers are now at their low point and a comeback is anticipated from here on, the annual report states.

Despite lower production, operating profit for the year ended Feb. 28, 1949, was sharply higher at $111,500 compared with $43,536 in the previous year. Net profit was also higher at $79,083 ($25,048) appropriated as follows: $6,245 for payment of interest at 5% on capital stock outstanding; $53,000 for rebates payable to wool growers and shipping associations; $15,000 for employees' pension fund; $4,839 carried to earned surplus.

Inventories were valued at $222,395 at Feb. 28, 1949 compared with $190,619 at end of previous fiscal year. Working capital was slightly higher at $397,650 compared with $392,153. Plants are reported to have been maintained in first class condition and repair.

Dom. Wool & Worsted

Dominion Woollens & Worsteds Ltd. conducts a fully integrated worsted cloth manufacturing operation which comprises tops making, combing, spinning, weaving, dyeing and finishing, and in addition, a woolen cloth manufacturing operation, a worsted spinning operation for machine-knitting yarn and a worsted spinning operation for hand-knitting yarn. The hand-knitting yarns are the only part of the company's output which is produced ready for the consumer. Plants are located in Hespeler, Peterborough, and Orillia, Ont.

Net profit for 1948 after transfer of $340,166 to inventory reserve, amounted to $312,822, equal to $2.12 per common share compared with $1.82 in 1947. Dollar value of sales showed an increase of 30% largely as a result of increased selling prices although the physical volume of production was somewhat increased as well.

Inventories at the end of 1948 were valued at $4,308,550 ($2,902,625). Reserve for future decline in inventory values totals $1,110,000.

Dividends on the common shares were increased to an annual rate of $1.00 per share in August, 1948. After provision of $139,744 for dividends on the common stock, a total of $153,238 was transferred to surplus.

The period since the war to the end of 1948 was one of insatiable demand for its products and the company began modernization of equipment, new methods of merchandising and a program of promotion and advertising.

Sales are now being restricted by high prices resulting from the high price of raw wool. The backlog of orders is reported to be much less than in recent years but compares favorably with prewar and outlook is for a more normal operation for the balance of the current fiscal year, President Henry Barrett stated at the annual meeting, May 19. Competition is becoming keener but, with its modernized plant and equipment and aggressive sales program, the company is in a better position to deal with this situation than ever before, Mr. Barrett said.

Paton Mfg.

Paton Mfg. Co., one of the oldest businesses in Canada, is equipped to process raw materials into finished products. The company dyes and finishes cloth and is a large manufacturer of woolen and worsted fabrics for men's suitings, top coatings, overcoatings and other finished fabrics. Control is held by interests associated with Dominion Textile Co.

A woolen and worsted mill is owned at Sherbrooke, Que., as well as complete carbonizing, dyeing and finishing plant. Selling offices are maintained in Montreal and Toronto and an agency in Winnipeg.

Lower earnings were reported for the year ended April 30, 1949, mainly as a result of a strike which lasted throughout the greater part of the winter with much dissatisfaction caused customers due to late deliveries. Net profit amounted to $56,109 ($172,022) equal to $1.87 per share preferred and 28c on the common ($5.73 and 80c respectively in previous year). Dividends are paid at the rate of 80c per annum on the common stock.

Inventories were valued at $1,142,295 (after reserve of $265,037) at April 30, 1949 compared with $1,103,950 at the end of the previous fiscal year. Cash was lower at $750 compared with $274,830. Working capital declined from $1,592,018 to $1,469,072. The company had a bank loan outstanding at April 30, 1949 in the amount of $97,223.

Outstanding capitalization consists of $750,000 3½% sinking fund bonds due Sept. 1, 1966; 30,000 shares 7% cumulative preferred stock, $20 par; and 50,000 common shares, no par value.

Current conditions are not very bright according to the company. The price of wool and worsted tops is still very high despite recent downward adjustments. Customers are buying with extreme caution and endeavoring to liquidate inventories in anticipation of further declines. It is therefore difficult to estimate properly the outlook for the balance of the year the company states.

Capital expenditures during the year amounted to $400,309 which brought the modernization and rehabilitation program to completion. Further expenditures for this purpose are not contemplated at present. The new equipment is reported to be already proving its value both for quality and reduced operating cost, helping to offset higher labor and material costs.

Stanfield's

Stanfield's Ltd. manufactures high-grade woolen and rayon underwear which is sold under the trade name "Stanfield's Unshrinkable" and "Novasilk." The sale of underwear constitutes approximately 85% of the company's business, the balance being in socks and knitting yarn. Plant is located at Truro, N.S., and offices are maintained in Montreal, Winnipeg and Vancouver.

The original business was established in 1856 and in 1905 the company was incorporated under the name of Truro Knitting Mills Co. The name was changed in 1924 to Stanfield's Ltd.

Net profit in 1948 amounted to $209,798 ($248,691 in 1947) equal to $3.50 per share Class A, and $1.74 Class B ($4.14 and $2.13 respectively in 1947). After provision of $96,000 for dividends, an amount of $113,798 was transferred to surplus.

Cash and call loans were higher at $1,021,280 compared with $952,256 at the end of 1947. Inventories increased from $346,719 to $519,275 at Dec. 31, 1948. Market value of investments declined from $314,112 to $169,558. Working capital at Dec. 31, 1948 was $2,140,753 compared with $2,131,263 at the end of 1947.

Warwick Woollen

Warwick Woollen Mills Co. specializes in the manufacture of woolen fabrics for men's, women's and children's clothing, as well as a number of fabrics for the pulp and paper industry. The company was incorporated July 4, 1947, to acquire all the assets of Warwick Woollen Mills Ltd.

A new issue of $500,000 first mortgage bonds was sold in January, 1948, to pay the cost of acquiring the predecessor company. The issue, offered at par and accrued interest, consisted of $75,000 3½% serial bonds due 1948-52, $210,000 4% serial bonds due 1967.

According to the prospectus, net earnings of the company before depreciation and taxes averaged $138,900 for 1942 to 1946, equivalent to more than seven times new bond interest requirements. Balance sheet of the company as at Aug. 31, 1947 showed total current assets of $753,408 and current liabilities of $498,433. Inventories totaled $453,443. Financial statements since 1947 have not been made available for publication.

Wool Combing Corp.

Wool Combing Corp. of Canada Ltd. operates on a commission basis a wool-scouring and combing plant to process raw wool into worsted tops for the production of worsted yarn. It is also engaged in the production of neutral wool grease used in the manufacture of high-grade rust preventives, cylinder oils, pharmaceutical products, cosmetics and other products. Wool grease is also known under the name "Technical Lanolin."

Plant at Acton, Ont., is equipped with 18 combing sets with auxiliary equipment and a grease recovery plant of the latest centrifugal system. A new department is planned which will specialize in the production of tops for dry spinners and the cotton industry. Additions to plant and equipment in 1948 cost approximately $123,000 mainly in connection with the new French combing department.

Net profit in 1948 amounted to $102,390 equal to $2.05 per share common against $1.68 in 1947. Gross revenue in 1948 was higher than in any year in the company's history, partly as a result of some upward adjustments of the tariff charged for the company's services, the first such adjustment since 1940. However, the increased gross revenue was offset to a great extent by higher wages and other expenses.

Demand for services is somewhat lower than last year and the management is giving consideration to providing alternative services with the company's present plant and feels that prospects for the future are reasonably satisfactory.

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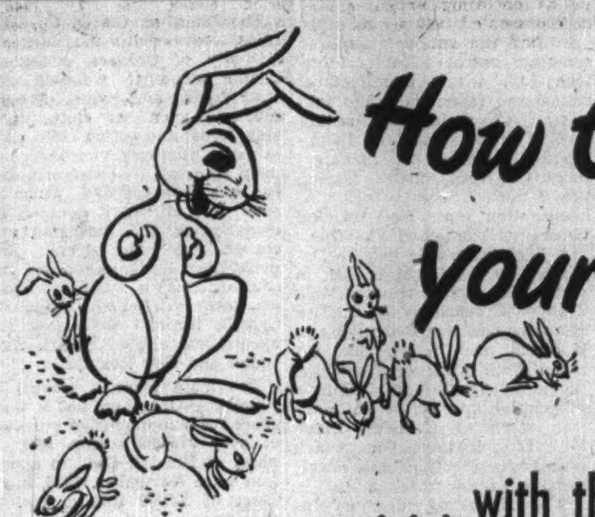

How to increase your Production!

. . . with the IONOTRON static eliminator

STATIC - An Industrial Production Problem

Static electricity is a far more widespread cause of trouble in industry than is generally suspected. Often the machine, the stock, the operator are blamed for production difficulties which actually are caused by static charges. In practically every industrial activity, static causes trouble at one time or another.

Many makeshift expedients and commercial remedies have been tried in search of a static cure. They seldom succeed, because of failure to attack the fundamental problem at its source.

The IONOTRON operates on the principle of ionizing the air in the immediate vicinity of the electrostatic charge. This zone of ionized air acts as a conductor and bleeds off the troublesome electrostatic charge.

No expensive installation is involved, simple mounting brackets are sufficient. There is no operating expense. The active source has a service life measured in centuries rather than in years.

Removing static from WOOL CARDS

In the card room, Ionotron Static Eliminators have a widespread record of success. Tape Condensers are a serious trouble-spot. Ionotrons are generally installed adjacent to the point where the roving leaves the rub aprons, one to each bank. Other installations have been made at the bite of the dividing rolls, where the web is divided into various ends. Overlapping, irregular winding and breaks caused by wrapping of the yarn around the aprons have been overcome by these Ionotron installations.

Applied to Peralta machines, they have ended the troubles which result when the web acquires a static charge and tends to bunch or wind round the delivery aprons or crushing rolls. The Ionotron is normally located directly across the machine, approximately one or two inches above the web. In one particular instance spoilage was reduced 50% and output rose more than 10% with the elimination of web troubles. Another prominent mill had been reducing its static problem by an excessively high humidity level. With the installation of Ionotrons, work stoppages were greatly reduced, and working conditions kept within a comfortable humidity range.

For complete details, write to Dept. B,
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Improved Supplies of All Types Fabrics Strengthen Position of Converter Firms

An increase in the supply of all types of fabric has improved the production position of most textile converters.

Demand for most lines of finished textile products is being maintained, although there is a reported surplus of some lines such as industrial fabrics and bag cloth. Manufacturers are said to be watching inventories closely and are keeping them trimmed so that they can take advantage of possible price reductions.

Auto Fabric Prod.

Auto Fabric Products Co. manufactures at its plant at Montreal a number of lines of gabardine and "Fibretex" custom-tailored seat covers to fit all yearly models of the leading automobiles distributed under its owned and registered Trade Mark Brands, as well as seat covers manufactured under private brand names for the largest wholesale and retail outlets in Canada.

Through its Domestic Utilities Division, the company also manufactures a variety of "Fibretex" household utility articles, including floor mats, hampers, covers, etc., as well as infant essentials such as canvas swings and infant seats and cribs for the house and automobile.

Distribution is made through the leading jobbers, department and chain stores and through automobile accessory distributor outlets across Canada.

The year 1948 was characterized by selective merchandising and sharply rising costs, the annual report stated. While sales volume was increased, the profit margin was somewhat lower, and net profits were off sharply at $100,414, compared with $154,667 in 1947. Per share earnings amounted to $4.02 class A and 85c class B before participation ($6.19 and $1.40), and 80c class B after participation ($1.30).

The year 1949 has shown a distinct tendency to high styling and selectivity in a much wider range of materials, the company advises The Financial Post. The company is prepared to meet this situation through close co-operation with its suppliers of raw materials. Arrangements have been made with some supply sources for exclusive materials including introduction of hitherto unprocurable nonfading materials, the annual report states.

The transition back to normal business appears to be practically completed, the company states, and the outlook for the latter part of 1949 would seem to be somewhat brighter. Sales volume as well as operating expenses for the first part of 1949 are said to be running on a par with the latter part of 1948.

The company's expansion program is completed, and it is continuing to investigate new products.

Ayers Ltd.

Ayers Ltd. manufactures pulp and paper makers' felts, cotton and asbestos drier canvas and transmission rope. In addition, the company has a piece goods and blanket division. Tweeds, polo cloth, overcoatings, etc., are the important products of the piece goods mill. Wool blankets, traveling rugs, etc., are manufactured for domestic and outdoor use and blankets for machine clothing, printing and stereotyping.

One of the oldest and largest suppliers of textile supplies for the pulp and paper industry, the company is privately owned. President is Gilbert E. Ayers and vice-president, Leonard F. Ayers. The firm was established in 1870. Company's mills are at Lachute, Que., where 600 to 700 workers are employed.

Can. Converters

Canadian Converters' Co. manufactures directly and through subsidiaries, shirts, pyjamas, juvenile apparel, work clothing, dresses, blouses, gowns, lingerie. The textiles are not woven by the company, but purchased and "converted" into apparel (with the exception of specialized fabrics woven for its lingerie department). Products are sold throughout Canada and are also exported to the West Indies.

Modernization of the main plant at Montreal was carried out over four years and was completed in 1948 at a total cost of $895,718. Another plant at Shawinigan Falls, Que., commenced operation late in 1947. Sales offices are maintained at Saint John, N.B., Montreal, Toronto and Vancouver.

In view of heavy expenditures involved in the improvement of the company's plant and buildings, the rising cost of materials and the expansion of sales, it was considered advisable to augment working capital by the issue of an additional $400,000 4% first mortgage bonds series B, due 1958-65 which were sold privately in October, 1948. On March 1, 1949 all of the $300,000 series A 3¾-4% first mortgage bonds, due 1952-57 were called for redemption. After redemption of the series A bonds outstanding funded debt consists of $400,000 4% first mortgage bonds sold in 1948. Outstanding capital stock consists of 69,340 shares Class "A," $20 par and 34,670 shares Class "B," no par value.

Financial results for the year ended April 30, 1949 are not yet available.

Fibre Products

Fibre Products of Canada Ltd., manufactures "Hairlock," a rubberized hair product used in upholstering, under license from the Moulded Hair Co. Ltd. of London, England. Other products include seat cushions, arm rests, glove boxes, trunk rugs and other similar accessories for automobiles and trucks; as well as pads for underneath rugs, fillings for mattresses and other upholstering materials. Main products are manufactured of cotton, jute and hair.

The plant is located at Windsor, Ont., on approximately seven acres of land. A second factory building owned in Windsor is leased to the Windsor Mattress and Equipment Co. Ltd., at a rental of $3,000 annually until 1956.

Sales for the fiscal year ended June 30, 1948, were at a new high, 51% over the previous fiscal year. Sales continued to increase and for the six months ended December 31, 1948, were considerably ahead of the corresponding 1947 period. Economies effected reduced operating costs and resulted in a substantial increase in net earnings, President H. A. Friedman reported.

Net profits for the year ended June 30, 1948, amounted to $48,483 ($29,358) equal to $4.38 on the preferred and 65c on the common stock ($1.39 and 29c respectively).

In a report to shareholders in March, Mr. Friedman stated that the high rate of production in the automobile industry and the introduction of new models this spring by two of the three leading companies has resulted in the highest volume of orders in the history of the company. Current volume of business necessitated the operation of three daily shifts, he stated.

Holden Mfg.

Holden Mfg. Co. is engaged in the manufacture of clothing, sporting goods, lumbermen's and contractors' supplies, tents, tarpaulins, sleeping robes, flags and a wide range of essential commodities. It operated under the name of S. S. Holden Ltd. from 1936 to 1947. Prior to that it had been known as Grant, Holden, Graham Ltd. incorporated in 1911. The company owns two large and modern factories, one in Ottawa, the other in Hull and branch or district offices are maintained in many of the principal cities of Canada.

Net profit for the 11-month period ended Dec. 31, 1948, amounted to $71,508 compared with $92,644 for the year ended Jan. 31, 1948. Earnings per share amounted to $2.37 class A and $1.06 class B before participation ($3.07 and $1.48); $1.08 and 78c. after participation ($1.34 and $1.04).

Working capital at $548,563 was substantially higher than $387,815 at Jan. 31, 1948. Inventories were slightly lower at $383,961 compared with $390,632.

Conditions in the current year and outlook for the balance of the year are reported to be favorable compared with the previous year. Though business was rather slow during January and February, bookings for the balance of the year are at least 10% ahead and a satisfactory volume of sales is expected, President D. A. Baptist told The Financial Post. Earnings to date are shaded somewhat due to increased cost of labor, materials and general expenses, while business is becoming more competitive.

The company plans to improve and expand its plant in Hull and also to renew certain equipment now outdated.

Kelton Corp.

Kelton Corporation Ltd. was incorporated December, 1948, to acquire the assets and businesses of Kelton Mfg. Co., Peter-Austin Mfg. Ltd., and Art Chemical Products Ltd. A new factory building to consolidate the three operations was completed in Toronto early in 1949.

The company manufactures rainwear cloths, plastic curtains and various other plastic and cotton products for industrial and consumer use, children's toys and modelling clay. It also acts as wholesale distributor for related products for Canadian and United States manufacturers.

An issue of $250,000, 5½% sinking fund, first mortgage bonds was offered to the public in February, 1949. All the outstanding preferred and common shares are held by the former owners of the three businesses.

For 1948, consolidated net earnings for the three predecessor companies were estimated at $28,100, compared with $22,929 in 1947. Working capital at Dec. 31, 1948, was reported at $179,737. Cash amounted to $40,533 in fixed assets after depreciation were shown at $273,296. Inventories amounted to $122,915.

Tooke Brothers

Tooke Brothers Ltd. operates a plant at Montreal for the manufacture of men's shirts, collars, neckwear, pyjamas and underwear and women's man-tailored shirts. Its wholly owned subsidiary, United Paper Box Co. Ltd., manufactures handkerchiefs, paper boxes, etc.

The manufacturing plant is a four-story mill construction factory with approximately 160,000 square feet floor space. Branches are located at Toronto, Winnipeg and Vancouver and permanent sample rooms are maintained at Halifax, Saint John, N.B., Quebec, Ottawa, London, Calgary, Saskatoon and Victoria.

A decrease in provision for income tax and depreciation was sufficient to offset a drop in operating profits from $260,724 to $233,625 in 1948 and 1948 net profit amounted to $116,501 ($111,687 in 1947) equal to 97c. per share compared with 93c. in 1947.

Earnings and operating expenses in 1949 are expected to be much the same as in 1948, President H. H. Woodward states. A slight increase in gross dollar volume of sales is indicated. A relatively stable volume of sales and earnings has been maintained over the past 18 months by producing those lines which meet the least resistance from retailers and consumers, he said.

Constant improvement of manufacturing methods and recent re-equipment of plants are reported to have made the company unusually flexible, making it possible to adjust production to the variations of demand which is becoming steadily more selective, without sacrificing the diversification of output.

Sales of men's shirts continue to lead over-all volume of the company's sales but sales of women's man-tailored shirts have fallen off, the company states. Buyer resistance is said to be most apparent in the men's pyjamas field. The growing preference for branded merchandise is an encouraging development according to Mr. Woodward.

Woods Mfg.

Woods Manufacturing Co. Ltd. manufactures and sells jute and cotton cloth bags, burlap, tents, flags, tarpaulins, heavy coatings used by lumbermen and contractors, sleeping bags, paper bags, paddings and twine. The company owns and operates a cotton mill at Welland, On., bag manufacturing plants at Montreal, Toronto and Calgary, a factory for the manufacture of lumbermen and contractors' tents, coating and supplies at Hull, Que., and a plant for the manufacture of sleeping bags at Ogdensburg, New York.

During 1948, the manufacture of paper bags (other than Multiwall bags) previously carried on at Winnipeg was merged with the manufacture of similar types of bags made by the Dryden Paper Co. Combined operations are being carried on by a new company, Woods-Dryden Paper Bags Ltd. at Winnipeg. A 60% interest is held by Woods Manufacturing Co. The new company manufactures grocery bags, notion and millinery bags, shopping bags, duplex and triplex bags.

The jute and cotton bag division was extended by the opening of a new branch at Calgary in February, 1948.

During 1948 a new plant at St. Lambert, Que. was brought into production for the manufacture of jute and cotton bags and multiwall paper bags. Installation of the final equipment for multiwall paper sacks will bring expenditures on this new plant to completion. Capital expenditures of $735,944 during 1948 included continued modernization of the Welland mill, and expenditures on the new St. Lambert plant. Further expenditures are anticipated in 1949, principally at the Welland plant, where the program is expected to extend over the next few years, according to the annual report.

The different branches of the company showed a wide variation in activity during the year. Demand continued at a high level for products of the textile mill at Welland, and operations were at full capacity. Demand for jute and cotton bags showed a further marked decline and operations were on the wane, reflecting the prevailing situation in the milling business. Reduced demand also resulted from the swing from jute and cotton to paper bags. The provision of multiwall paper containers, which has come into full operation in mid-1949, is designed to protect the company from this situation.

The clothing and canvas branch at Hull was adversely affected by labor troubles and a marked decline of demand for its products.

Net profit for 1948 was down sharply at $201,078 ($236,984), equal to $3.11 per share, compared with $5.32 in 1947.

Working capital is higher at $2,096,035, compared with $1,589,171 at the end of 1947. Inventories declined from $3,205,110 to $2,675,201. Cash was higher, at $158,412, compared with $52,677, and bank loan of $448,300 outstanding at Dec. 31, 1947 was paid off.

An amount of $295,800 is carried on the balance sheet as an amount received from the Dominion Government for the company's expropriated Hull property. This amount is considered inadequate by the company, and has been appealed.

Capitalization at Dec. 31, 1948, consisted of $1,000,000 3¾% sinking fund bonds, and 64,553 1/5 shares common stock no par value. Common dividends have been paid at the rate of $2 per share since 1944.

A rich contribution to the world's well-being

Over the years from 1884, the scientific achievements of Ciba research workers have enriched the world with new and improved products in ever widening fields.
Ciba dyestuffs and Ciba textile auxiliaries have won renown in almost every part of the globe.

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Working closely with the textile industry for thirty-four years has given the Westaway organization a practical insight into the needs of textile manufacturers and converters.

In order to serve the industry efficiently, the W. J. Westaway Company brings together under one roof, scattered and varied sources of yarns, machinery and supplies.

Trained and experienced Westaway textile specialists work with you to smooth out the everyday snags in production.

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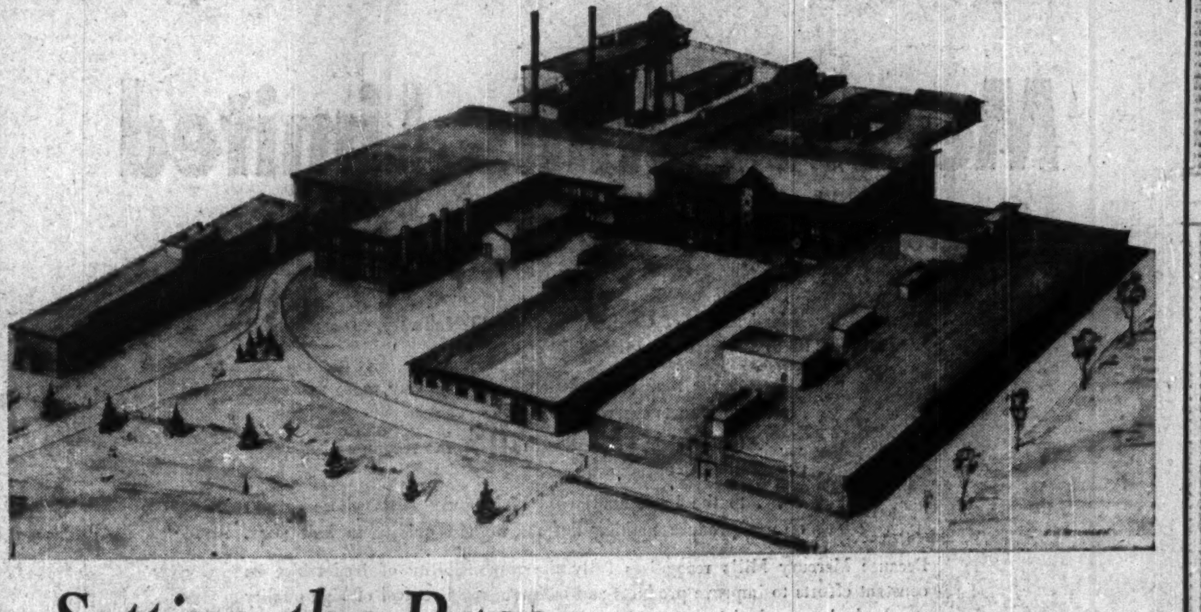

Setting the Pace
IN SYNTHETIC TEXTILE MANUFACTURE

The rapid growth of Canada's textile industry is evidence of readiness to accept the challenge of opportunity.

A strong spirit of enterprise and initiative has opened up new markets. Application of technical knowledge has created an ever-widening acceptance and demand for the wonders of synthetic textile science.

Associated Textiles of Canada Ltd. — as a thriving centre of Canada's textile industry, has played a large part in this significant growth. First established in 1930 at Louiseville, Quebec, Associated Textiles has experienced phenomenal growth, until it is now one of the largest producers of synthetic fabrics in Canada.

Possessing complete facilities for spinning yarns, weaving, dyeing and finishing fabrics, this company maintains a large design printing plant.

Associated Textile fabrics, represented by the well-known trade names COHAMA, AMERITEX and A.T.C., are second to none in quality and design. Their versatility gives them wide acceptance in all important fashion centres. Their fame and reputation is already finding a place for them in markets throughout the world.

For all that's new in synthetic fabrics — in rayon crepes, spun or spun mixtures with wool, acetate or cotton . . . for all Nylon fabrics . . . for newest fashion designs or for wide general utility fabrics — leadership points to Associated Textiles.

ASSOCIATED TEXTILES OF CANADA, LIMITED

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A-T-C Fabric HOUSE
"THE HOME OF GOOD CANADIAN FABRICS"

Operating Divisions of Cohama, Ameritex, A.T.C.

Record Canadian Output of Rayon Fabrics May See Surplus Available For Export

Output of rayon and rayon-mixed fabrics in the first quarter of 1949 equaled or exceeded the production rate of last year when production rose to an all-time high of 115 million yards. Total consumption last year reached 127.4 million yards with imports totaling 16 million and exports from domestic mills 3.6 million.

Canadian mills last year strengthened their position in the domestic market and are further consolidating gains in 1949. An increased supply of rayon fabrics is said to have slowed up production temporarily in the weaving, finishing and dyeing plants. Rayon men expect to see a substantial increase in rayon imports over the balance of the year.

It is believed that the Canadian industry can hold its own in a competitive market. By the end of this year rayon manufacturing in Canada will be completely integrated with surplus production available for export. Fabric manufacturers are producing a wide range of lines and are working with the fashion industry to keep pace with modern styling. The number of new end products is increasing the use of both rayon filament and staple.

Canadian production of rayon filament yarn has increased from 14.2 million pounds in 1939 to 29.2 millions in 1948. Rayon staple fibre production has also increased substantially over the past three years from 750,000 pounds in 1946 to 2.5 million pounds in 1948. Increased output of both rayon filament and staple is expected from Canadian Celanese and Courtaulds (Can.) plants.

Assoc. Textiles

Associated Textiles of Canada operates spinning, thinning, weaving, dyeing and printing plants at Louiseville, Que. It has been operating there since 1930, and now employs about 850 workers. The company, a wholly-owned subsidiary of United Merchants & Manufacturers, manufactures spun yarns and various artificial silk fabrics. Combinations of viscose and acetate rayon, wool and nylon are used in its spun mixtures. Approximately 95% of the company's output is sold in Canada.

After the war, the company carried out a $250,000 expansion program at Louiseville for production of its new blended and spun rayons, and recently added a one-story, 9,800 sq. ft. addition at a cost of $40,000.

Belding Corticelli

Belding Corticelli, Ltd., manufactures nylon, silk and rayon thread for all purposes. Output consists of thread, ribbon, braid, tape, elastic, embroidery cotton, hosiery, knitting yarns and fabric.

Factories are operated at Montreal, St. John's and Coaticook, Que., and a small plant at Sorel, Que. Branch warehouses and offices are maintained at Montreal, Toronto, Winnipeg and Vancouver.

Sales for the year ended Nov. 30, 1948 were the largest in the history of the company, showing a 22% increase over 1947 record sales. Operating profits for the year increased to $1,059,255 from $744,165 and net profit amounted to $186,563 ($148,775 in 1947). Per share earnings amounted to $21.56 on the preferred, and $16.81 per share common, compared with $17.19 and $11.77 respectively in 1947.

Working capital increased from $1,491,529 to $1,667,292 at November 30, 1948. Cash was higher, at $252,566 ($51,312); inventories were somewhat lower, at $1,047,613, compared with $1,072,958. A further amount of $100,000 was transferred to inventory reserve.

Expenditures on plant and equipment amounted to $294,756 in the 1948 fiscal year. Constant development and improvement in equipment will make necessary continued expenditures in this connection, the annual report states. Special depreciation reserve of $175,000 has been set aside to help provide for the difference between the present cost of replacement of equipment and machinery and the depreciation earned.

Sales for the two months ended January 31, 1949 showed an 8% gain over the corresponding period of last year, President W. T. MacDougall stated at the annual meeting. There is evidence of keener competition, but prospects for the early part of the year at least were considered to be encouraging in view of improved production facilities and increased yarn deliveries.

Bruck Mills

Bruck Mills Ltd. manufactures the complete product from yarn to finished goods including screen and roller printing. It uses natural and synthetic fibre, among which are rayon, nylon, silk, wool and cotton. The company also does commission dyeing and printing.

Bruck fabrics include dress sportswear, drapery and upholstery fabrics, fancy coverings, linings and lastex fabrics. Other products include linings for the garment trade, scarvings, materials for the corset and bathing suit trade, a range of footwear fabrics, special fabrics for use in manufacture of mattresses, pillow slips and bed spreads, Jacquard fabrics for the upholstery and drapery trade and "Wolaine" which is used in the manufacture of clothing.

Main plant is located at Cowansville, Que., and another is operated at Sherbrooke, Que. A plant at St. Johns, Que. is operated by the wholly-owned subsidiary, Dominion Spinners Ltd. Sales offices are maintained at Montreal, Toronto, Winnipeg, Vancouver, London, Eng., New York and Melbourne and Sydney, Australia. Export trade has been developed and the company's products are sold in the West Indies, South America, New Zealand, Australia and England.

Sales volume in 1948 was the greatest in the company's history and showed an increase of 28.2% over the previous peak year of 1947. Increased domestic sales more than offset the reduction in export to dollar-short foreign countries. Net profit for the year ended October 31, 1948, was almost double that of the previous year at $1,041,266 ($522,550) equal to $8.33 per class A share and $3.57 per share class B before participation and $3.18 and $2.58 respectively after participation.

Capital re-arrangement effected in July 1948 resulted in the conversion of the authorized 150,000 common shares into 150,000 class A and 300,000 class B shares. Basis of exchange was 1 new A and 2 new B shares for each old common share held. Present outstanding capitalization consists of 125,000 shares class A stock, $1.20 cumulative, participating, non-callable, no par value, and 250,000 shares class B stock, no par value,

Working capital increased to $1,486,867 at Oct. 31, 1948 from $1,165,374 at the end of the previous fiscal year. Inventories increased from $1,958,290 to $2,483,124, but this is considered satisfactory by the company in view of the large increase in sales volume.

Sales for the first 27 weeks of the current fiscal year showed an increase over the previous year of approximately 15%, The Financial Post is told. The profit picture for the full year is expected to be satisfactory despite continuing high costs and increasing competition in the industry as a whole.

Can. Celanese

Canadian Celanese Ltd. owns Canadian rights to Dreyfus patents covering the manufacture of cellulose acetate and products such as synthetic yarns, lacquer, varnishes and numerous other products. Some of these patents are of a chemical nature, others mechanical, others apply to dyestuffs and dyeing and finishing methods for the production of cellulose acetate artificial silk.

There is a free exchange of research and ideas between Canadian Celanese, Celanese Corp. of America, and British Celanese Ltd.

The company's central business is the manufacture of synthetic yarns and fabrics having cellulose acetate as their base, which are marketed under the registered trade mark "Celanese." Celanese fabrics simulate voiles, satins, moires, crepes, wool, etc. In addition the company produces staple fibre and some chemicals, and manufactures hosiery.

Plants are located at Drummondville, and Sorel, Que. The buildings at Drummondville have a floor space of approximately 800,000 sq. ft. and the plant has an ultimate capacity of 1,500 looms. The Sorel plant was completed in 1947 at an approximate cost of $34 millions. This plant manufactures fabrics and yarn made from acetate staples produced at the Drummondville plant. A new type of material of wool-like nature is produced for use in suitings, shirtings and upholsteries.

The expansion program at the Drummondville plant was completed in 1947 and included a new staple plant.

Expenditures for plant and equipment during 1948 totaled $3,205,230 and approximately $3,000,000 will be spent in 1949 to increase productive capacity in products which are still in short supply, to expand and diversify the production of new suitings, upholstery fabrics, and to develop and manufacture still newer textile products, Executive Vice-President C. W. Palmer stated at the annual meeting.

Net profit for 1948 amounted to $5,283,810 ($3,025,462 in 1927) equal to $10.57 on the preferred stock and $3.61 on the common ($6.05 and $1.81).

Common shares were split four-for-one in December, 1948. Outstanding capital now consists of 400,000 preferred shares, $1.75 series, cumulative, redeemable; 100,000 preferred shares, $1.00 series, cumulative redeemable; and 1,241,636 common shares, no par value. Funded debt outstanding at April 1, 1949 amounted to $9,200,000.

Despite heavy capital expenditures during 1948, working capital increased from $12,152,915 to $13,217,175 at the end of 1948. Inventories increased from $3,237,697 to $4,385,387.

Sales volume for the first quarter of 1949 was reported to be 25% ahead of the corresponding quarter in 1948, reflecting increased manufacturing facilities resulting from new capital expenditures, Mr. Palmer stated. New products introduced were well received and created a demand which more than offset the slackening in demand in certain other older lines.

Cons. Textile

Consolidated Textile Mills Ltd., through operation of its subsidiaries; manufactures rayons, nylons, silks and mixed fabrics used in making lingerie, dresses, blouses, housecoats and children's wear. Combined production of the subsidiaries classifies the company as the largest manufacturer of lingerie fabric in Canada and products are marketed under its own trade mark throughout Canada.

Two mills are operated at St. Hyacinthe, Que., by subsidiaries, Consolidated Textiles Ltd. and NuFlex Textiles Ltd., and a new mill was completed at Joliette, Que., in November, 1947.

The new mill at Joliette resulted in greater efficiency in operation and this together with the continued demand for the company's products is reflected in substantially higher profits for 1948. Net profit for the year was more than double the preceding year at $552,980 ($202,947) and was equal to $29.63 per share preferred and $2.58 per share common (after four-for-one split in 1948).

In December 1948 the common shares were split four-for-one. Capitalization as at Dec. 31, 1948 consisted of $130,000 3¼% first mortgage serial bonds; $18,660, 5% sinking fund redeemable preferred shares, $20 par; and 200,000 common shares, no par value.

Inventories at Dec. 31, 1948 were valued at $392,426, c[illegible]pared with $288,052 at the en[illegible] 1947. Cash and Dominion bonds were higher at $454,566, compared with $285,597. Working capital was substantially increased from $320,942 to $721,962 at the end of 1948.

Current conditions during the first four months of 1949 were about the same as the last half of 1948 when earnings were at a high level, the company told The Financial Post. A period of readjustment was anticipated for the balance of the year, but earnings were expected to be favorable despite this fact. Sales, earnings and operating expenses are running at about the same level as 1948.

Expansion and replacement plans were virtually completed during the first four months of 1949 at an approximate cost of $225,000. This program, which began in 1947, has resulted in plants and equipment now being practically all new and of the most modern kind, the company states.

C. I. L.

Canadian Industries Ltd. is the only company in Canada which produces nylon yarns and staple fibre for the textile industry. Production commenced at its Nylon Division at Kingston, Ont. in June, 1942, with the entire output being used for military purposes, including parachute shroud lines and canopy cloths and glider tow lines. Production of nylon yarn for civilian purposes began immediately following termination of government

(Continued on page 28)

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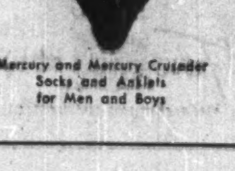

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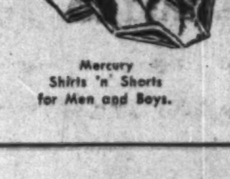

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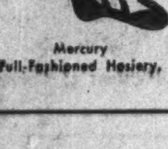

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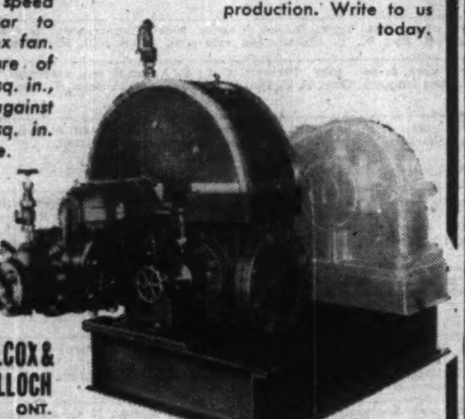

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Although Canada's mixed textiles industry, comprising hat and cap, glove, tailoring, carpet, weaving and linen companies, is experiencing increasingly competitive conditions, sales and earnings are running in most cases considerably above prewar levels.

Most companies in this group have set up sizeable contingency reserves against anticipated drop in inventory values. This, plus large-scale expenditures on modern and efficient machinery, has placed the industry in a strong position.

Sales in both carpet and worsted yarns are holding up close to last year's high level. There is more intensive competition, however, being felt in the carpet divisions from imported merchandise, chiefly from the United Kingdom. It is estimated in some quarters that carpet imports are now close to total Canadian production. Prewar imports represented only around 15% of Canadian production. Although several of the leading Canadian carpet plants anticipate increased production and sales of both worsted yarns and carpets this year, it is expected that the margin of profit will be somewhat reduced.

Canadian tailoring concerns are still operating at a high level and considerably beyond prewar figures. There has, however, been a noticeable decline in consumer demand during the last several months. Some of this, no doubt, represents deferred buying in anticipation of lower prices.

Glove companies have had to contend with increasing raw material prices and increasing consumer resistance against even present retail price levels. The companies generally have smaller orders on their books than a year ago. The unseasonal weather last fall and early winter also had an adverse effect on sales of the chief glove companies.

Hat companies are also plagued with increasing costs. Despite the drop in export sales to the sterling area, bought about by currency restrictions, sales are holding close to last year's level.

Acme Glove

Acme Glove Works Ltd., manufactures fine leather gloves, work gloves and mitts, moccasins, ski boots, shoe packs, wool socks, sheep-lined and mackinaw clothing, sport and work garments. Its four factories are located at Montreal, Loretteville, Joliette, and St. Tite, Que. Sales offices are maintained in Montreal and sample rooms in Vancouver, Moose Jaw, Winnipeg, Ottawa and Quebec.

Lack of seasonable weather in the fall and early winter of 1948 resulted in a substantial drop in sales. Net profit for 1948 was off 19% at $127,266 ($157,542 in 1947) equal to $4.18 on the preferred stock and $1.61 per share common ($4.98 and $2.10 respectively in 1947).

Working capital at the end of December, 1948, amounted to $1,253,037, the highest in the company's history. Cash was higher at $426,223 compared with $308,510. Inventories were reduced to $596,596 from $690,515 at the end of 1947. While the supply situation was improved, there is as yet no indication of raw material prices easing off generally, and in some instances, they are above last year's quotations, the annual report states. The management intends to adhere to a careful policy regarding inventories in the current year.

During the year, 1,150 preferred shares were redeemed, and present capitalization consists of 30,450 shares cumulative, redeemable preferred stock, $20 par, and 48,000 common shares, no par value. Control of the company was acquired recently by J. Louis Levesque, Montreal.

Biltmore Hats

Biltmore Hats Ltd., operates two plants at Guelph, Ont., for the manufacture of men's fur felt and wool felt hats as well as bodies in the rough. Permanent sample rooms are located in Montreal, Toronto, Ottawa, Hamilton, Winnipeg, Calgary and Vancouver.

Sales for the year ending Nov. 30, 1948, receded further from the peak recorded in 1946. Net profit, however, for the 1948 fiscal year, compared favorably with the average net profit for the last 10 years at $87,542 ($142,862 in 1947). Earnings amounted to $2.19 Class A, and $1.19 on the common ($3.57 and $2.57 respectively in 1947). After participation, combined Class A and common shares earned $1.09 in 1948 against $1.79 in 1947. Dividends are being paid quarterly at the rate of $1.00 per share per annum on the Class A, and 40c. per share on the common shares.

Working capital at Nov. 30, 1948, was $675,779 practically unchanged from $676,034. Inventories showed a substantial reduction from $609,360 to $484,736, due in part to lower volume on hand and in part to lower market value of fur, the company's basic raw material.

Brantford Cordage

Brantford Cordage Co., is the largest manufacturer of binder twine in the British Empire, selling approximately two thirds of its output for Canadian consumption, and exporting the remainder. The company supplies about one quarter of the total Canadian consumption.

Net profit for the 14-month period ended Oct. 31, 1948, was $260,226, of which $240,052 was earned in the 1947-1946 fiscal year, against $233,393 in the previous fiscal year. Earnings amounted to $8.34 on the first preferred stock, and $2.50 on the common stock, for the 14-month period ended Oct. 31, 1948. For the 12-month period ended Aug. 31, 1947, earnings amounted to $7.07 and $2.38 respectively.

Working capital at Oct. 31, 1948, was higher at $2,397,302 compared with $2,163,330 at Aug. 31, 1947. Cash was substantially reduced from $865,834 to $111,361 at Oct. 31, 1948. Inventories jumped from $1,127,252 to $3,166,069, the increase being due to prevailing high world-wide prices for raw materials, according to President W. M. Nessegar. Current liabilities at Oct. 31, 1948 were augmented by a new item of $800,000 bank loan outstanding.

A further 18,012 preferred shares were redeemed during the period and present outstanding capital consists of 31,219 cumulative redeemable first preference shares, $25 par, and 80,000 common shares, no par value.

Caldwell Linen

Caldwell Linen Mills Ltd., is one of the pioneers of linen manufacture in Canada. In recent years, the manufacture of fine cotton goods, complementary to the linen business has been continuously developed.

The company's plant, located at Iroquois, Ont., is a complete manufacturing unit equipped to handle the entire process from raw yarn to finished product. Products include fine linen table cloths, towels, Terry bath towel sets, napkins, etc., and fine cotton goods. Products are marketed under the trade name of "Caldwell Golden Thread," and in addition to general private use, they are sold extensively to railway companies, steamship companies, hotels and hospitals.

Reflecting the completion of the expansion program started in 1945, production increased during 1948. Net profit was up 33.5% from 1947 at $234,867, equal to $15.66 on the first preference stock, $8.49 on the second preference and $4.81 on the common stock ($12.39, $6.54 and $3.58 respectively in 1947) before participation. After participation, earnings on combined second preferred and common stocks amounted to $3.27 per share compared with $2.51 in 1947.

The outlook for business continues to be favorable for the coming year, Mr. Caldwell stated.

Can. West. Cordage

Canada Western Cordage Co. manufactures at its plant located at New Westminster, B.C. a complete line of manila and sisal rope, lines and fine twines. It is the only company engaged in the cordage business in Canada west of Ontario.

Chief markets are in the four western provinces. Sales to foreign markets, which have included the principal British West Indies — Trinidad, Barbados, Jamaica, Windward and Leeward Islands—British Guiana, Venezuela and Guatemala, have been adversely affected by the exchange situation.

Net profits for the year ended Sept. 30, 1948 amounted to $86,854, a reduction of 7.2% from $93,581 in the previous year. Earnings amounted to $2.61 on the class A stock, and $1.72 class B ($2.81 and $1.89 in 1947).

Inventories stood at $379,830 at Sept. 30, 1948, a decline from the record $410,058 at the end of the 1947 fiscal year, but still at a high level as a result of higher prices for fibres used in the industry.

Felt & Textiles

Felt & Textiles of Canada Ltd. was incorporated in British Columbia in 1946 to manufacture and sell in Canada all wool-felted carpeting manufactured and sold in Australia, New Zealand and South Africa by Felt & Textiles of Australia, Ltd.

Rights, processes and formulae relating to these products were acquired for $85,727 from Felta Co. Inc., subsidiary of Felt & Textiles of Australia Ltd. A building was purchased in Victoria, B.C., and machinery installed. Production started Oct. 15, 1948, and the company is now selling only products manufactured in Canada.

In due course the company proposes to manufacture industrial felt for the shoe and furniture industries, and felt blankets for pulp and paper mills.

The company has an option on manufacturing and selling rights in the U.S., and is negotiating for sale of rights to American interests on a cash and royalty basis, which would provide a source of substantial extra revenue for fifteen years.

Capitalization at Dec. 31, 1948 consisted of 200,000 authorized no par value common shares, with 127,564 shares outstanding.

Gen. Products

General Products Mfg. Corp. was originally engaged in the manufacture of silk hosiery, but interests have been widely diversified since 1943, and now comprise the following divisions:

Supersilk Hosiery Division, London, which manufactures a wide range of fully fashioned hosieries. In addition to the domestic business, export business is carried on with Australia, New Zealand, Ireland, Trinidad, India, South Africa and other foreign countries.

Budget Products Division, London, which is engaged in the manufacture and sale of household products under the trade name "Budget."

Standard Tube Co., Woodstock, Ont., manufactures and fabricates tubing for many purposes, and also produces automotive equipment. A subsidiary, Metal Fabricators, Ltd. produces a complete line of hospital equipment.

Langmuir Paint, Oakville, Ont.

Blue Water Boat Works, Sarnia, Ont., which is engaged in boatbuilding and repair work, was acquired in 1947 to provide additional space for expansion, but is temporarily being operated in its present capacity.

Sales and earnings in 1948 were the highest in history, President W. H. Thompson stated

(Continued on page 27)

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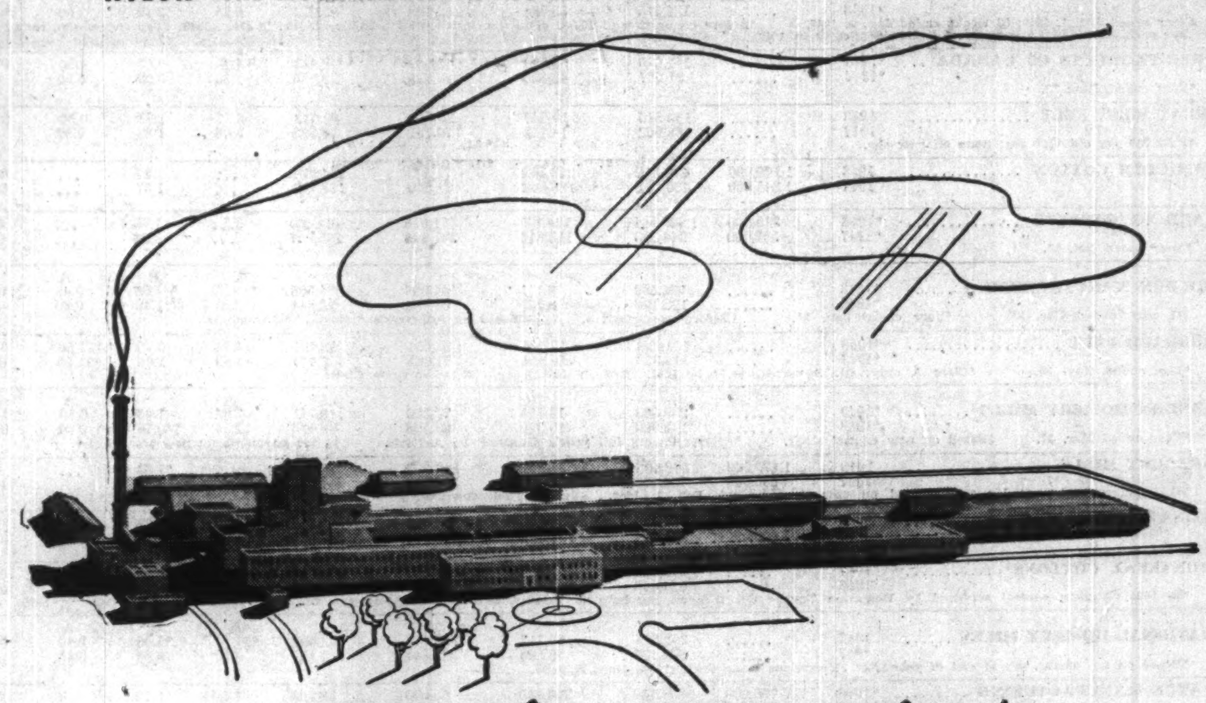

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Modern mill conditions are duplicated in the Nylon Development Laboratory. Here on development looms and knitting machines, experimental fabrics are woven or knitted and improvements tested. All possible technical assistance is given mills and manufacturers.

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The Financial Post Statistical Record of Textile Companies

Unless otherwise stated the year taken is the calendar year; net earnings, the amount available for depreciation, bond interest, write-offs and taxes, after all expenses; net profit is after total income taxes; surplus for the year is the balance of net profit after dividends provided for the year.

Company	Year	Funded Debt $	Net Earnings $	Deprec. $	Total Inc. Taxes $	Net Profit after Total Taxes $	Earnings per Share Pref. $	Earnings per Share Common $	Dividends Pref. $	Dividends Com. $	Surplus for Year $	Working Capital $	Fixed Assets after Deprec. $	Deprec. Reserve $	Officers and Directors
ACME GLOVE WORKS	1948	......	......	15,699	75,110	127,266	4.18	1.61	1.00	0.75	41,057	1,253,037	219,746	419,173	J. L. Levesque, chm.; Alphonse Lepine, pres.; Gerard Favreau, vice-pres.; Lionel Lacroix, exec. vice-pres. & man. dir.; C. H. Dawson, sec.-treas.; A. E. Clark, E. Lavoie; Montreal; W. Burke, Joliette, P.Q.
	1947	......	......	15,505	136,597	157,542	4.96	2.10	1.00	0.50	76,707	1,174,138	227,507	408,943	
							A	B	A	B					
AUTO FABRIC PRODUCTS CO.	1948	......	215,619	17,700	74,300	100,414	‡4.02	‡0.85	1.00	0.40	33,414	310,651	193,484	56,357	T. F. Rose, pres.; G/Capt. D. S. Patterson, vice-pres.; Martin Taiger, sec.-treas.; Lt.-Col. St. C. C. Holland, Lawrence Marks; Montreal. Vice-pres.—D. G. Scott.
	1947	......	307,223	11,954	148,000	154,667	‡6.19	‡1.40	0.76	0.40	95,667	276,793	193,261	39,496	
‡Before participation.															
R. M. BALLANTYNE CO.	1948	......	*98,039	......	36,411	61,628	11.22	0.96	2.50	...	47,878	138,939	162,684	9,463	V. P. Cronyn, pres., London, Ont.; G. K. Stanley, F. C. Walker, vice-pres.'s; R. W. Robertson, sec.-treas.; J. B. Hay, C. E. Isard, W. H. McPhillips, W. B. Norton, E. D. Smith, T. A. Browne.
	†1947	......	97,363	7,576	43,268	46,519	(8.64)	0.65	...	...	46,519	113,391	76,342	283,124	
†Predecessor co. *After deprec. (unstated).															
BATES & INNES, LTD.	1948	......	114,092	15,636	37,019	62,228	†*4.08	*1.57	†1.10	1.10	12,453	420,012	462,212	553,946	C. W. Bates, pres.; R. W. Bates, vice-pres.; E. H. Ritchie, sec.-treas.; J. A. H. Swayne, C. B. Stewart; Carleton Place, Ont.
	1947	......	136,173	12,048	55,600	77,448	†*5.08	*2.07	†1.00	1.00	32,198	415,878	441,046	542,444	
†Class A. *Before partic.															
BELDING-CORTICELLI	*1948	......	962,396	239,299	261,534	186,563	21.56	16.81	7.00	7.00	73,527	1,667,292	1,102,934	2,872,407	W. P. MacDougall, pres. & man. dir.; J. M. Mackie, vice-pres.; W. G. Hicks, gen. mgr.; R. C. Vaughan, P. F. Sise, A. S. Bruneau, J. D. Johnson, C. E. Gravel; Montreal. Treas.—L. B. Ramsey, Sec.—D. F. Pollock.
	*1947	......	676,522	196,634	181,113	148,775	17.19	11.77	7.00	8.00	28,244	1,491,529	1,096,710	2,538,676	
*Year ended Nov. 30.															
BILTMORE HATS	*1948	100,000	196,763	27,724	50,700	87,542	*2.19	*1.19	1.00	0.60	23,542	675,779	183,783	352,274	J. A. Fraser, pres.; Toronto; W. J. Tiller, vice-pres. & gen. mgr.; W. F. Franke, vice-pres. & sec.-treas.; R. P. Ramsey; Guelph, Ont.; A. G. A. Spence, Toronto.
	*1947	100,000	300,192	23,641	115,000	142,862	*3.57	*2.57	1.00	0.40	86,862	676,034	165,955	328,235	
*Year ended Nov. 30. *Before partic.															
BRANTFORD CORDAGE	*1948	......	438,049	15,843	162,000	260,226	8.34	2.80	‡1.62½	‡0.62½	158,314	2,397,302	323,274	990,532	W. M. Messecar, pres.; A. M. James, vice-pres. & gen. mgr.; E. E. Smith, sec.-treas.; Clark Johnston, P. R. Logan; Brantford, Ont.; Glyn Osler, H. R. Tudhope, Toronto. Asst. gen. mgr.—J. A. McKay.
	†1947	......	404,207	16,810	175,000	233,393	7.07	2.38	1.30	0.50	150,420	2,163,330	274,607	975,679	
*14 mos. ended Oct. 31. †Year ended Aug. 31. ‡Five quarterly dividends.															
							A	B	A	B					
BRUCK MILLS	*1948	†380,676	2,219,832	444,644	733,922	1,041,266	‡8.33	‡3.57	▲	▲	853,766	1,486,867	3,164,080	2,160,919	G. L. Bruck, pres. and treas.; R. J. Bruck, exec. vice-pres.; Montreal; L. S. Lee, vice-pres., Cowansville, P.Q.; H. Stern, sec.; Morton Darling, H. D. Dwyer, R. B. Perrault, L. N. Buzzell, Hon. Gaspard Fauteux; Montreal; W. B. Phillips, London, Eng.; Nathan B[illegible]kman, New York.
	*1947	†470,000	1,323,660	265,993	525,117	532,550	▲	▲	▲	▲	382,550	1,165,374	2,796,389	1,615,765	
*Year ended Oct. 31. †Term bank loan. ‡Before participation. ▲On old common: $4.28 persh. earned before partic.; divds. paid of $1.50 per sh. in 1948, $1.20 in 1947; none paid on A or B shs.															
BUTTERFLY HOSIERY	1948	......	357,674	53,041	112,357	192,276	649.58	1.76	7.00	0.85	98,591	610,467	432,200	790,616	Chas Chipman, chm., New York; Russell Weaver, pres., Drummondville, P.Q.; E. B. Beacham, 1st vice-pres., Easton, Pa.; W. V. Holton, 2nd vice-pres. & sec.; M. B. Holton, treas.; Hamilton.
	1947	......	422,785	38,144	180,378	204,263	690.08	1.88	7.00	0.85	110,578	601,251	314,533	739,345	
CALDWELL LINEN MILLS	1948	......	440,569	52,712	153,000	234,857	†15.66	4.81	†1.50	0.80	160,357	781,779	441,329	418,426	H. H. Caldwell, pres. & gen. mgr., Prescott, Ont.; J. A. Anderson, vice-pres. & asst. gen. mgr.; C. V. Ellis, sec.-treas.; Iroquois, Ont.; S. G. Dixon, Montreal; W. P. Scott, Toronto.
	1947	......	387,049	55,520	145,632	185,897	†12.39	3.58	†1.50	0.80	111,397	589,221	450,298	366,952	
†First pref. only.															
							A	B	A	B					
CANADA WESTERN CORDAGE	*1948	......	162,921	23,067	53,000	86,854	2.61	1.72	0.50	0.60	45,784	354,439	172,614	411,306	R. D. Williams, pres.; J. Y. McCarter, vice-pres.; F. C. Brown, man. dir.; E. Gallant; Vancouver; L. L. Anthes, Toronto. Gen. mgr.—G. K. Noble, Sec.-treas.—J. E. Priestlay.
	*1947	......	‡	‡	‡	93,581	2.81	1.80	0.37½	†0.50	53,343	380,215	107,023	400,432	
*Year ended Sept. 30. ‡Not shown. †In addition 50c pd. on old common.															
CANADIAN CELANESE	1948	9,200,000	9,798,265	1,040,642	3,150,000	5,283,809	†10.57	*3.61	‡	▲4.00	3,242,173	13,217,175	16,176,822	9,153,601	G. H. Whigham, chm., London, Eng.; Dr. Camille Dreyfus*, pres., New York; C. W. Palmer*, exec. vice-pres.; P. A. Thomson; Montreal; Joseph Simard, Sorel, Que.; Rt. Hon. Arthur Meighen, Toronto; Sir Wm. Alexander, London, Eng.; A. Schwartz, W. McC. Cameron*, H. Blancke*, New York. Vice-pres. i/c sales—W. Ashworth. Sec.-treas.—A. G. Allan. *Member finance & exec. committee.
	1947	9,600,000	6,623,964	712,501	2,555,000	3,025,462	†6.05	*(1.81)	‡	▲2.75	1,396,837	12,162,915	14,072,465	8,083,932	
†$1.75 and $1.00 series. ‡Paid $1.75 and $1.00 each year. *New stock after 4-for-1 split approved Dec. 9, 1948. ▲Old stock.															
							A	B	A	B					
CANADIAN CONVERTERS	*1948	300,000	678,292	73,709	176,000	377,469	*5.44	*9.39	0.75	nil	325,464	1,139,730	1,324,441	513,977	H. C. Flood, pres.; D. S. Dubin, vice-pres. & controller; T. M. Barrington, sec.-treas.; Hon. G. B. Foster, Henri Geoffrion, Lazarus Phillips, W. W. Clarke; Montreal. Gen. mgr.—Max Finkelstein.
	*1947	500,000	684,077	60,803	206,945	330,662	*4.77	*8.04	0.75	nil	278,657	846,538	1,357,327	487,490	
*Year ended April 30. *Before participation.															
CANADIAN COTTONS	*1949	2,000,000	3,547,227	910,548	900,000	1,157,929	7.01	6.93	1.20	3.00	544,087	8,649,304	5,875,447	19,129,754	R. G. Tolmie, chm., Montreal; E. C. Fox, pres. & man. dir., Toronto; W. V. Boyd, vice-pres., Cornwall, Ont.; J. I. Roy, gen. mgr.; Jos. Dolphin, vice-pres. i/c prod.; MacMillan Boyd, vice-pres. i/c sales; Sir H. Montagu Allan, A. S. Bruneau, D. A. Campbell; Montreal. Vice-pres. i/c personnel—E. R. Suttie. Sec.-treas.—K. L. Hamilton.
	*1948	3,000,000	2,257,281	747,052	545,000	886,479	5.36	4.97	1.20	2.70	314,190	8,914,129	5,765,047	18,174,835	
*Year ended Mar. 31.															
							A	B	A	B					
CANADIAN SILK PRODUCTS	*1948	......	†653,309	......	271,208	382,101	3.82	13.75	1.50	nil	232,101	1,422,966	349,137	1,462,751	A. A. Munster, pres. & treas.; G. G. Cooke, vice-pres. & sec.; B. Q. Thompson, G. S. Westgate, vice-pres.'s; F. A. Field, H. C. Sherwood.
	*1947	......	†890,320	......	453,353	436,967	4.37	17.01	1.50	nil	286,967	1,252,652	308,431	1,439,066	
*Year ended June 30. †After depreciation.															
CELTIC KNITTING	1948	......	143,796	22,188	40,999	80,317	...	2.98	...	0.50	66,817	156,633	163,723	227,457	E. D. Gordon, pres. & treas.; A. C. Howatson, vice-pres. & man. dir.; K. A. Wilson, sec.; W. F. Graw, W. K. Nelles; Montreal.
	1947	......	112,364	15,831	42,854	53,679	...	1.99	...	0.85	30,729	131,206	122,341	205,269	
							A		A						
CIRCLE BAR KNITTING	*1948	......	180,285	38,631	54,150	87,504	†3.31	†2.31	0.50	‡	71,373	815,286	407,493	586,000	Wm. Mitchell, pres. & gen. mgr.; S. C. Mitchell, vice-pres.; J. A. Robinson, O. J. Mooney, W. J. Mitchell, M. A. Bennett, Angus MacKay; Kincardine, Ont.; Albert Gulliver. Sec.-treas.—Brock Dotzenroth.
	*1947	......	362,725	35,273	160,272	167,180	†(6.33)	†(5.33)	...	0.80	154,669	797,133	318,318	571,787	
*Year ended June 30. †New stock, before participation. ‡Paid 20c on old common, none on new.															
CONSOLIDATED TEXTILE MILLS	1948	130,000	992,736	110,572	326,534	552,980	29.63	*2.58	1.00	▲0.60	486,318	721,962	462,080	363,954	J. M. Bornstein, pres.; G. H. Bornstein, vice-pres.; Morris Bornstein, sec.; H. A. Bornstein, treas.; G. M. Hawthorn, G. E. A. McCain, Joseph Shapiro; Montreal.
	1947	150,000	436,792	37,137	195,290	202,947	10.30	▲3.55	1.00	nil	177,642	320,942	460,701	262,817	
*New stock, after 4-for-1 split. ▲Old stock.															
COSMOS IMPERIAL MILLS	1948	576,000	614,837	155,493	173,987	229,357	...	2.29	...	1.65	64,357	1,963,582	1,640,992	1,907,054	W. S. Burrill, chm.; A. V. Young, pres.; J. V. Young, vice-pres. & man. dir.; W. T. Mayo, R. R. Evans, Hamilton, Ont.; G. H. Allen, Yarmouth, N. S.; H. R. Tudhope, Toronto. Sec.-treas.—J. T. Scarlett.
	1947	114,000	521,388	92,586	173,000	199,802	...	2.00	...	1.35	84,802	1,670,055	1,349,961	1,830,007	
DOMINION FABRICS	1948	......	400,665	47,646	151,000	152,019	†16.89	1.36	†3.00	0.80	39,019	813,261	430,287	1,155,041	Thomas Camelford, pres.; J. G. Camelford, vice-pres.; W. W. Camelford, sec.; Mary Camelford, treas.; J. A. Camelford; Dunnville, Ont.; Dorothy F. Kelly, Hamilton, Ont.; H. W. Lofft, Toronto.
	1947	......	297,907	34,896	121,719	141,292	†15.70	1.20	†3.00	0.80	28,292	835,594	350,382	1,112,176	
†First pref. only; on 2nd pref., $6.25 earned in 1948, $5.71 in 1947, and $1.50 per sh. pd. in both years.															
DOMINION TEXTILE	*1949	5,000,000	10,391,259	1,651,942	3,231,979	5,352,475	275.82	2.03	7.00	0.85	3,029,086	16,277,192	14,868,874	25,334,760	G. B. Gordon, pres. & man. dir.; F. R. Daniels, vice-pres. & gen. mgr.; W. A. Eden, A. F. Baillie, Hon. C. A. Dunning, Charles Laurendeau, Walter Molson; Montreal. Sec.—L. P. Webster; Treas.—R. A. Lang.
	*1948	3,600,000	6,176,112	1,328,311	1,870,318	2,834,832	146.08	1.05	7.00	‡	890,013	13,946,811	11,378,228	24,121,820	
*Year ended Mar. 31. ‡Paid 45c on new shs., $2.50 on old shs.															
DOMINION WOOLLENS & WORSTEDS	1948	1,574,100	1,315,539	168,200	418,750	312,822	...	2.12	...	‡0.95	173,078	2,339,261	2,159,510	2,601,581	J. W. Hobbs, chm.; Henry Barrett, pres.; J. A. Gairdner, vice-pres.; Toronto; H. B. Bonner, gen. mgr., Hespeler, Ont.; Dr. T. H. Hogg, Henry Brown, Toronto; C. M. Heddle, Oakville, Ont. Sec.-treas.—S. W. Haufschild.
	1947	1,624,100	1,167,415	165,000	†372,500	267,584	...	1.82	...	‡0.80	149,912	*2,000,630	2,168,568	2,441,877	
‡Includes payment Feb. 1 following year. †After adjust. re inventory res. *Adjusted by co. to basis used in 1948.															
ESMOND MILLS	▲1949	400,000	205,329	40,859	60,455	104,132	7.04	*2.48	1.00	†	■310,706	505,860	602,337	225,943	H. L. Taylor, pres., Havershill, Mass.; S. C. Owen, vice-pres., New York; G. E. Nixon, vice-pres. & gen. mgr., Montreal; C. D. Owen, Jr., treas., Swannanoa, N.C.; J. G. Porteous, sec.; J. F. Armstrong, G. K. Beddoe, Walter Macrae; Montreal.
	▲1948	......	173,015	13,494	62,602	93,682	6.25	2.19	1.00	0.50	60,682	414,031	182,580	172,475	
▲Year ended Jan. 1, 1949; 53 weeks ended Jan. 3, 1948. *Before conversion of 16,000 com. shs. into 1,600 5% 2nd pref. shs. in Dec., 1948; after conversion, earnings per sh. would have been $55.81 on 2nd pref. and $4.06 on common. †Paid $400,000 in 1948. ■Deficit.															
FIBRE PRODUCTS OF CANADA	*1948	......	145,070	54,500	42,087	48,483	4.38	0.65	0.50	0.25	25,551	167,548	378,935	181,755	H. A. Friedman, pres., Winnipeg; F. G. Harris, F. A. Horn, vice-pres.'s; Wolf Goldstein, sec.; Windsor, Ont.; L. M. St. B. Collins, treas.; H. S. Rosenberg, A. B. Rosenberg; Toronto.
	*1947	......	91,537	43,800	18,379	29,358	1.39	0.29	0.50	nil	18,125	130,427	414,309	127,420	
*Year ended June 30.															
GREAT WEST FELT	1948	......	150,570	19,547	50,310	80,713	3.27	1.93	0.50	0.60	47,065	202,685	379,017	33,855	L. A. Dunbar, pres. & man. dir.; C. M. Dare, vice-pres. & treas.; Kitchener, Ont.; C. J. Weichel, gen. mgr.; A. O. Shurly, sec.; Elmira, Ont.; R. B. Law, Welland, Ont.; J. K. Sims, Kitchener, Ont.
	1947	......	168,082	14,718	76,781	76,583	3.06	1.83	0.50	†	20,702	146,365	385,906	14,718	
†Paid $40 per old $100 shs; none on new shs.															
HAMILTON COTTON	1948	1,160,000	470,341	225,502	77,500	124,924	...	1.56	...	0.90	52,924	1,135,425	1,962,992	2,732,247	A. V. Young, pres.; J. V. Young, vice-pres., treas. & man. dir.; W. L. McMahon, works mgr.; W. S. Burrill, R. R. Evans; Hamilton; Dunlop Stewart, H. R. Tudhope, H. B. Stewart, Toronto. Sec.-treas.—E. G. Howe.
	1947	1,245,000	430,221	163,062	88,600	133,456	...	1.67	...	0.90	61,456	1,451,337	1,722,605	2,517,824	
HARDING CARPETS	*1948	345,000	1,266,641	128,120	471,618	404,860	...	1.75	...	0.80	219,897	2,237,720	1,262,973	1,809,807	J. S. Dickson, pres., Toronto; C. M. Harding, exec. vice-pres.; C. V. Banks, vice-pres.; Brantford, Ont.; Harry Quarmby, vice-pres., Guelph, Ont.; C. G. Cockshutt, Brantford; R. R. Corson, E. R. Deeks, H. J. McLaughlin, Toronto. Sec.-treas.—A. R. Wynn.
	*1947	367,000	944,396	113,315	381,889	285,857	...	1.24	...	0.65	135,575	1,933,966	1,100,680	1,684,239	
*Year ended Oct. 31.															
							A	B	A	B					
HOLDEN MANUFACTURING	‡1948	......	124,699	9,111	44,080	71,508	*†2.37	*†1.06	0.45	0.10	52,925	548,553	416,149	225,626	D. A. C. Baptist, pres. & gen. mgr., Rockcliffe, Ont.; H. E. Palmer, vice-pres.; J. D. Duncan, sec.-treas.; H. C. Bulpit, D. K. MacTavish; Ottawa; Hon. J. Earl Lawson, E. R. Angus, Toronto.
	*1948	......	192,196	8,955	88,882	92,644	†3.07	†1.48	0.60	nil	74,563	387,815	406,721	69,482	
‡11 mos. ended Dec. 31. *Year ended Jan. 31. †Before participation. *Based on full year's dividend requirements.															
HUBBARD FELT	*1948	......	101,398	17,946	31,051	52,401	†4.19	0.75	†‡1.50	0.50	7,401	299,918	142,209	83,540	G. O. Hubbard, chm., England; H. N. Haller, pres. & treas.; F. J. Knight, vice-pres. & sec.; A. D. Finnie, S. M. C. Beck; Montreal; S. A. Pakes, Toronto.
	*1947	......	115,938	16,458	37,061	62,419	†4.99	1.08	†‡1.50	0.50	17,419	300,100	128,022	63,122	
*Year ended Nov. 30. †Class A only; Cl. B earned $4.49 in 1948, $5.82 in 1947. ‡Paid same on Cl. B.															
							A		A						
LONDON HOSIERY MILLS	*1949	......	209,263	13,184	77,338	118,741	2.64	1.03	0.80	1.00	2,741	639,413	115,601	301,758	L. A. Dunbar, chm., Kitchener, Ont.; J. A. McKeeman, pres. & gen. mgr.; J. C. Currie, vice-pres.; Toronto; H. F. Rasmussen, sec.-treas., London, Ont.; D. R. Dattels, C. M. Dare, Kitchener; M. C. Deans, Toronto.
	*1948	......	176,960	10,936	69,566	96,458	‡2.14	‡*0.76	0.60	0.75	§9,458	612,731	108,645	292,705	
*Year ended Mar. 31. ‡Based on new capital stock. *After allowing full year's dividend on A stock. §After payments on new stock only.															
MERCURY MILLS	1948	1,175,000	976,206	81,697	329,233	520,770	...	*1.84	...	†	160,046	1,909,945	1,682,390	2,115,884	J. A. Roberts, pres. & gen. mgr.; J. H. Gundy, R. W. S. Johnston, H. B. Housser, C. L. Gundy, Dunlop Stewart, Toronto; W. H. Cooper, Hamilton. Sec.-treas.—W. Alexander. Asst. gen. mgr.—D. A. Page.
	1947	650,000	780,295	66,438	326,000	362,982	...	*(1.28)	...	‡1.00	193,495	1,763,763	1,426,642	2,127,029	
†$1.25 pd. on old shs., 15c appropriated on new shs. and pd. Feb. 1, 1949. ‡On old common. *New stock after 3-for-1 split Dec. 23, 1948.															
MONARCH KNITTING	1948	1,340,000	788,317	331,178	209,000	248,139	51.35	2.22	4.50	1.00	124,178	1,957,961	1,466,760	1,927,836	F. J. Coombs, chm. & vice-pres., Toronto, Ont.; Rt. Hon. Lord Barnby, pres., London, Eng.; K. L. Markon, vice-pres. & gen. mgr.; G. F. Leaver, treas.; D. A. McIntosh, sec.; F. C. Deacon, W. K. Fraser*, G. E. Hanks, C. F. W. Burns; Toronto. *Deceased.
	1947	1,400,000	924,340	215,359	384,000	324,981	65.00	2.97	3.00	0.90	213,181	1,747,954	1,445,062	1,631,186	
MONTREAL COTTONS*	1947	......	1,079,420	275,000	370,000	434,420	3.62	0.68	1.75	0.50	59,420	4,166,221	3,453,592	6,536,508	
	1946	......	1,034,643	250,000	351,068	433,575	3.61	0.68	‡1.31¼	‡0.40	61,575	4,163,904	3,421,909	6,283,046	
*In 1948 complete control acquired by Dominion Textile Co. through purchase of balance of outstanding common stock; pref. shs. redeemed Dec. 31, 1948. ‡Paid also $1.75 on old pref., $1 on old common.															
							A	B	A	B					
NATIONAL HOSIERY MILLS	1948	......	850,825	67,717	290,418	492,690	*14.74	*5.03	0.60	0.75	405,256	950,348	561,031	836,209	C. V. Langs, chm.; E. B. Eastburn, pres. & treas.; J. A. Kitchen, vice-pres.; R. C. Ripley, H. P. Frid; Hamilton, Ont.; J. B. Ridley, Toronto; G. M. Williams, Middletown, Conn. Sec.—Walter Hardie.
	1947	......	698,197	58,396	322,644	317,157	3.87	6.54	0.60	nil	267,966	721,980	347,799	818,646	
*Based on no. of shs. o/s at end of year after conversions made during 1948 from A to B.															
PATON MANUFACTURING	*1949	750,000	390,988	260,820	48,000	56,109	1.87	0.28	1.40	0.80	■25,891	1,469,072	1,155,026	1,334,816	F. R. Daniels, pres.; J. V. R. Porteous, vice-pres.; A. F. Anderson, treas.; J. M. Mackie, G. B. Gordon, J. N. Laing, A. D. McCall; Montreal. Sec.—R. Neill.
	*1948	750,000	532,289	216,017	118,000	172,022	5.73	2.60	1.40	0.80	90,022	1,592,018	1,026,370	1,122,703	
*Year ended Apr. 30. ■Deficit.															
PENMANS	1948	1,421,000	1,787,327	325,000	741,000	355,367	33.06	4.51	‡6.00	‡3.00	97,313	3,974,144	3,182,781	3,781,478	A. F. Baillie, pres.; G. W. Grier, vice-pres.; B. K. Gunn, gen. mgr.; J. N. Laing, J. P. Black, G. B. Gordon, Hon. G. B. Foster; Montreal; C. B. Robinson, Paris, Ont. Sec.-treas.—L. P. Robertson.
	1947	1,457,500	1,525,663	225,000	649,000	351,766	32.72	4.45	‡6.00	‡3.00	93,712	3,735,456	3,224,386	3,474,172	
‡Includes payment Feb. 1, following year.															
REGENT KNITTING MILLS	1948	274,000	1,150,620	246,719	337,000	244,033	15.25	3.36	1.60	0.50	185,928	1,311,612	1,141,648	2,075,412	C. G. de Tonnancour*, pres.; H. Grover*, vice-pres. & man. dir.; S. Lithwick*, sec.-treas.; J. C. Belle Isle*, W. J. Ratcliffe, Joseph Shapiro, D. Drapeau, J. E. Savard, de Gaspé Beaubien*; Montreal. *Member executive committee.
	1947	290,000	1,171,546	186,125	475,000	440,453	27.53	6.38	1.60	0.50	382,349	918,416	1,434,329	1,543,701	
							A	B							
RENFREW TEXTILES	1948	95,000	84,408	19,752	21,336	39,958	1.60	0.45	0.60	nil	24,958	192,955	490,048	190,718	D. S. Dubin, pres., Montreal; T. L. Cuthbertson, vice-pres. & man. dir., Renfrew, Ont.; B. Malin, sec.-treas.; I. Bloomberg, E. Foster, L. Lendman; Montreal; S. Kobus, Renfrew.
	1947	110,000	81,156	16,955	25,039	37,208	1.49	0.40	0.60	nil	22,208	181,728	482,428	170,966	
							A	B	A	B					
RIVERSIDE SILK MILLS	1948	......	246,726	64,683	66,808	115,235	*3.84	*2.76	2.00	2.00	15,235	468,942	383,151	824,819	L. A. Dunbar, pres., Kitchener, Ont.; H. P. Wright, vice-pres. & sec., Hamilton, Ont.; H. C. Boehmer; Kitchener; R. B. Law, M. C. Deans, Toronto. Treas.—C. M. Dare.
	1947	......	189,204	39,416	56,441	108,347	*3.61	*2.42	2.00	2.00	8,347	490,271	352,814	760,135	
*Before participation.															
ROBINSON COTTON MILLS	*1948	850,000	673,699	163,134	182,851	299,029	...	1.99	...	0.50	224,029	1,459,409	1,717,230	919,900	William Robinson, pres.; W. W. Robinson, vice-pres. & man. dir.; W. H. Robinson, gen. mill supt.; W. J. McCreight, sec.-treas.; W. W. Burkart, sales mgr.; Toronto; Fred Slater, Montreal.
	*1947	900,000	565,959	78,741	169,922	287,271	...	1.92	...	0.40	227,271	1,518,993	1,359,177	762,075	
*Year ended Dec. 18.															
SILKNIT LIMITED	1948	860,000	1,372,389	219,908	495,196	602,104	39.23	8.72	2.00	0.45	535,279	2,687,267	1,372,720	1,708,526	M. H. Epstein, pres.; H. B. Epstein, vice-pres.; E. J. Leranbaum, treas.; H. T. Burgess, sec.; W. S. Morgan, gen. sales mgr.; E. Gordon McMillan; Toronto; C. W. Dumas, Montreal; J. A. Pinatel, Coaticook, P.Q.
	1947	930,000	1,054,698	156,951	448,268	435,724	42.21	6.70	2.00	nil	402,137	2,172,071	1,017,076	1,373,564	
							A	B	A	B					
STANFIELD'S LTD.	1948	......	......	......	......	209,798	3.50	1.74	0.60	0.60	113,798	2,140,753	278,148	......	F. T. Stanfield, pres.; C. E. Stanfield, vice-pres.; A. J. Campbell, sec.; H. F. Bethel, asst. sec.; E. B. McDaniel; Truro, N.S. Treas.—E. H. Abbott.
	1947	......	......	......	......	248,691	4.14	2.13	0.60	0.45	167,691	2,031,263	271,075	......	
TIP TOP TAILORS	*1949	720,000	820,291	84,927	262,500	293,279	...	2.44	...	0.37½	148,277	2,319,888	1,845,586	1,660,977	David Dunkelman, pres. & gen. mgr.; Jos. B. Dunkelman, vice-pres.; Benjamin Dunkelman, treas.; (Mrs.) Rose Dunkelman, R. A. Daly; Toronto; H. P. Mackechnie, Clarkson, Ont.; Morton Wilner, Washington, D.C. Sec. & compt.—H. E. Clayton.
	*1948	790,000	588,585	70,840	183,400	327,890	...	2.73	...	0.30	291,887	2,326,664	1,509,293	1,689,882	
*52 weeks ended Jan. 1, 1949, Jan. 3, 1948.															
TOOKE BROS.	1948	......	233,625	44,859	72,265	116,501	...	0.97	...	0.40	68,501	679,819	659,641	227,947	W. M. Weir, chm.; H. H. Woodward, pres. and man. dir.; G. A. Blundell, sec.-treas.; W. G. Hanson, D. W. Partridge, C. W. MacLean, G. H. Imrie; Montreal.
	1947	......	288,724	49,257	99,780	111,687	...	0.93	...	†0.30	63,687	653,205	648,588	192,887	
†In addition 40c pd. on old stock before 4-for-1 split.															
VERNEY CORP. OF CANADA	1948	......	328,081	64,077	97,125	162,939	8.31	1.79	2.25	nil	118,370	1,041,431	943,167	474,724	Gilbert Verney, pres., Boston, Mass.; J. G. Porteous, sec.; J. S. Aird; Montreal; Oliver Iselin, F. W. Jefferson, Sr., Jarvis Cromwell, New York; H. C. Robbins, Boston; J. R. McLane, Manchester, N.H. Treas.—N. C. Hayward.
	1947	......	186,958	64,051	44,612	75,905	3.80	0.47	1.68	nil	42,305	965,592	917,512	424,858	
WABASSO COTTON	*1948	800,000	1,591,897	659,439	412,750	469,576	...	6.72	...	4.00	189,964	2,471,076	2,590,109	10,016,798	C. R. Whitehead*, pres., Three Rivers, P.Q.; N. J. Dawes*, vice-pres., Montreal; W. J. Whitehead*, man. dir., Three Rivers; W. Taylor-Bailey*, Montreal; Hon. Lucien Moraud, Quebec, P.Q.; O. B. Thornton, Westmount, P.Q.; Hugh Mackay, Rothesay, N.B. Sec.-treas.—H. W. Capel. *Member exec. comm.
	*1947	1,000,000	1,309,826	572,636	321,237	357,728	...	5.12	...	4.00	78,116	2,321,400	2,693,073	9,421,310	
*Year ended May 1, May 3.															
WESLEY MASON MILLS (Formerly Laurentian Silk Mills)	*■1948	677,000	784,250	108,014	262,921	382,486	†(51.00)	†(6.82)	‡	‡	......	917,632	1,156,393	843,277	A. W. Mason, pres. & gen. mgr.; N. E. Drysdale, sec.-treas.; Montreal; Donat Houle, mill supt., Cap de la Madeleine, P.Q.; Gertrude Mason, U. L. Marion, Montreal; N. M. Davis, M. D. Davis, G. E. Hall, A. J. Martin, T. D. Miller, T. F. Moore, N. S. Robertson, H. G. Stapells, Toronto.
	*1947	700,000	807,443	104,407	362,197	316,595	†(42.21)	†(5.51)	...	‡	......	*250,217	*601,744	*460,108	
*Year ended Oct. 31. ■Pro forma after giving effect to pref. stock issue and to acquisition in Jan., 1949, of assets of Louis Roessel & Co. Ltd., and Herbert Hosiery Mills of Canada, Ltd. ‡Initial $1.37½ pd. on pref. May 1, 1949; none reported on common. *From pro forma balance sheet at Oct. 31, 1948. †Based on present capitalization.															
WOODS MANUFACTURING	1948	1,000,000	854,980	514,594	109,000	201,078	...	3.11	...	2.00	71,972	2,096,035	2,718,567	3,408,659	Harold Crabtree*, chm. & pres.; H. Roy Crabtree*, vice-pres. i/c operations; R. B. Moffit*, vice-pres. i/c finance; W. A. Eden, A. M. Irvine*, R. W. Steele, F. R. Daniels, R. M. Stott, H. J. Humphrey*, Aubrey Crabtree; Montreal; Glyn Osler, Toronto. Sec.-treas.—R. E. Lewis. *Member exec. comm.
	1947	......	1,393,388	367,901	383,500	336,984	...	5.22	...	2.00	207,878	1,589,151	2,680,843	3,229,003	
WOOL COMBING CORP. OF CAN.	1948	......	196,132	33,742	60,000	102,390	...	2.05	...	1.60	22,390	285,108	271,751	410,024	Rt. Hon. Lord Barnby, pres., London, Eng.; Leslie Biggin, K. L. Markon, vice-pres.'s; D. A. McIntosh, sec.; G. F. Leaver, treas.; C. F. W. Burns; Toronto. Gen mgr.—R. N. Baird.
	1947	......	153,184	21,922	47,500	83,762	...	1.68	...	1.15	26,262	352,786	180,592	381,004	
							A	B	A	B					
YORK KNITTING MILLS	1948	2,850,000	*1,107,024	306,812	250,000	462,890	1.40	0.47	0.40	nil	331,085	2,842,701	2,276,329	2,151,322	J. D. Woods, pres.; W. P. Walker, vice-pres. & gen. mgr.; H. H. Lawson, vice-pres.; W. B. Woods, H. M. Ready, Ralph Presgrave, L. W. Lawson; Toronto; K. W. Harvey, Woodstock, Ont.; S. S. Higgs. Sec.—J. S. Lewis.
	1947	1,900,000	*851,275	198,941	220,000	371,425	11.5	0.52	†10.50	*0.60	186,768	2,081,675	1,590,775	1,889,345	
*After pension res., incl. amts. for past services. †Paid on old 1st pref.; same on old 2nd pref. *Old common.															

More Emphasis on Merchandising and Ads Marks Competition in Knitted Goods Field

Competitive conditions increased in the knitted goods market during the last year. Manufacturers have been forced to produce more goods for seasonal needs, use a wider selection of yarns and cut down somewhat on forward buying commitments on yarn. There has been greater emphasis on style, color and packaging, and many producers have conducted extensive merchandising and promotional campaigns. Expenditures on advertising this year are running at a record high.

Generally speaking, overseas competition has not been nearly so great as in the case of woolen fabrics, although British mills are seeking a wider market in this country. Stiffest competition has probably been in men's half hose and gloves. The full-fashioned hosiery industry has managed to maintain production at a high level despite sharp curtailment in the export market, but here, again, competition has led to extensive advertising campaigns and an increasing drive toward greater plant efficiency. Production of full-fashioned hosiery climbed close to 1939 levels in 1948 when 3,086,000 dozen pairs were made (2,830,000 dozen in 1947 and 3,210,000 dozen in 1939.) The industry exported to 34 countries in 1948 but exchange difficulties resulted in a 25% decline from previous year.

Production of men's and women's outerwear, and underwear, declined somewhat in 1948 from the previous year's level. Production in most mills, however, will be maintained at rates considerably above 1939.

Bates & Innes

Bates & Innes Ltd., manufactures woolen blankets, traveling rugs, tweeds, knitted outerwear, underwear and overcoating and hand knitting yarn. Plant consists of two complete manufacturing units, one being used for blankets and the other for knit goods and yarn, both situated on the Mississippi River at Carleton Place, Ont., and possessing their own water power plant which produces approximately 50% of the company's power requirements.

Sales declined slightly from $1,463,300 in 1947 to $1,420,500 in 1948, as a result of a decrease in knit goods sales. Net profit was off 20% at $62,228. This was equal to $4.08 on the class "A" before participation and $1.38 after participation on the common ($5.08 and $1.71 respectively in 1947).

The major change in financial position is that presented by a shift of $230,000 from cash to inventories, which amounted to $522,000 at the end of 1948. Increase in inventory was entirely in raw materials (wool), at prices much below those current, and which enabled the company to enjoy the best two months of January and February for many years, the annual report states.

The company expects to obtain delivery this year of two 72-in. English carding machines, on order since 1945, involving an expenditure of some $70,000, and in conjunction with 12 new fully automatic looms, installed last year, appreciable savings in production costs and improved products may be expected. Expenditures for the acquisition of new machinery in 1948 totaled $36,925.

Unfilled orders at March 1, 1949, were said to be sufficient for several months and greater than normal for this time of year. Therefore satisfactory operations were anticipated for the current year.

Butterfly Hosiery

Butterfly Hosiery Co. operates a factory at Drummondville, Que., for the manufacture of ladies' full-fashioned hosiery. At present, approximately 80% of production is devoted to nylon hosiery, the remainder to rayon and cotton. Prewar production was based upon silk, but as supplies of that material were used up, facilities were diverted to rayon and then to nylon.

During 1948, the sum of $170,707 was spent for plant improvement and new equipment, bringing the total for the two years 1947 and 1948 to $316,037, all financed out of current earnings. Contracts for new equipment amount to approximately $118,000, and it is anticipated that full delivery will be made by the end of 1949.

Net profit for 1948 was off 5.8% at $192,276, equal to $1.76 per share on the common after payment of preferred dividends. Value of inventories on hand was reduced by $34,481 to $255,512 at Jan. 1, 1949. The balance sheet showed a decrease of $41,891 in current assets against a decrease of $51,449 in current liabilities, resulting in a net increase in working capital of $9,558 to $610,467.

During the last quarter of 1948, controls imposed by governments of importing countries reduced the company's export sales to low levels. There is evidence of keener competition in the domestic market and stocks in the hands of customers appear to be ample. Prospects for the current year are uncertain but with better nylon yarn deliveries in view and the plant in modern condition, the company is in a strong position to meet competitive developments, the annual report states.

R. M. Ballantyne

R. M. Ballantyne Co., Stratford, was incorporated Dec. 17, 1947, to take over R. M. Ballantyne Ltd., manufacturers of, and dealers in, knitted goods of every description. Since the new company has taken over, new lines have been added to serve the demands of girls', boys', and an extensive selection of children's outerwear, while color and design of the two other lines previously produced (men's and ladies') have been broadened. Another important development has been the introduction of knitted cotton outerwear for summer use.

Authorized capital consists of 10,000 5% cumulative redeemable preferred shares, 5,500 shares issued and outstanding, par $50. Common stock authorized 100,000 shares, issued 50,000 shares, no par value.

Net profit for 1948 was $61,628, equal to $11.21 per share on the preferred and 96c on the common stock. Dividend payments of $2.50 per share preferred have been paid regularly since issued in 1947.

Value of inventories rose from $81,405 at Dec. 31, 1947, to $171,263 at the end of 1948, an increase of $89,858.

Current conditions are about the same as last year with the outlook for the balance of the year favorable, despite somewhat higher operating expenses due to increased wages, the company advises The Financial Post.

Can. Silk Products

Canadian Silk Products Ltd. operates through a wholly owned subsidiary, a plant at Sherbrooke, Que., for the manufacture of ladies' high-grade hosiery under trade names such as "Orient," "Rainbow" and "Aladdin."

The company has under construction at Brockville, Ont., a new plant which, it claims, will be the finest of its kind in Canada. The machinery will be entirely new, including 30 sections, electronically controlled knitting machines, loopers, seamers, preboarding and boarding equipment, dyehouse, examining and inspecting equipment.

Net profit for year ended June 30, 1948, amounted to $382,101, a reduction from $436,967 in the previous year, as a result of a general strike which shut down operations for more than three months. Earnings amounted to $3.82 on the class "A" stock, and $13.75 on class "B" ($4.37 and $17.01 in 1947). Dividends on the class "A" stock have been paid at the rate of $1.50 per annum regularly since 1940. No dividends have been paid on the class "B" stock.

The company reports that sales have been maintained in the current fiscal year, but that there is evidence that the discriminating public has become quality conscious. Sales, earnings and operating expenses are said to compare favorably with last year, but comparable figures are not available, since the plant was closed during the spring months of 1948 due to the strike.

Celtic Knitting

Celtic Knitting Co., manufacturers of women's, children's and men's silk, silk-and-wool and cashmere hosiery, is equipped to produce 2,400 dozen pairs of stockings weekly at its Montreal plant. A subsidiary, Nordic Hosiery Ltd., has manufactured women's full-fashioned hosiery since 1929 at its plant at Granby, Que. In 1948, net profit amounted to $80,315, an increase of 49.6% over 1947. The improved earnings were attributed to increased production obtained from new equipment purchased in 1947 and 1948. Net profit was equal to $2.97 per share. After dividends totaling $13,500 an amount of $66,817 was transferred to surplus.

New machines and equipment were purchased in 1948 at a cost of $53,570. The company has no immediate expansion plans, having completed in 1948 all program of improvements and additions to the plant, The Financial Post is informed.

An increase of $42,001 in inventory was said to be due to the increased cost of labor and materials.

Sales are keeping up to the same period of 1948, but forward bookings for fall merchandise are disappointing, the company told The Financial Post. While consumers appear to be buying their normal requirements, there is said to be a considerable hesitancy on the part of retail stores to acquire inventory. It is therefore difficult to predict what the balance of 1949 may bring.

Operating expenses are increased over the corresponding period of 1948 due to higher wage rates and earnings are slightly reduced but may be considered as satisfactory, the company states.

Circle-Bar Knitting

The Circle-Bar Knitting Co. manufactures circular knit hosiery for men, women and children, including women's full-fashioned hose, and is engaged in the spinning of woolen and botany woolen yarns and weaving of woolen and worsted cloth.

Plants are operated at Owen Sound, Kincardine and Listowel, Ont. Plans have been completed for enlarging the Owen Sound plant and the Listowel plant, but neither project has, as yet, been started. During the fiscal year ended June 30, 1948, new knitting and spinning machinery was installed or was being installed at year end at a total cost of $125,000. Machinery worth $75,000 already on order has not yet been delivered.

The company's products are sold largely through its own sales organization throughout Canada. Prior to 1940 a considerable export business was carried on in South Africa, New Zealand and the West Indies, and several other countries.

Re-classification of capital in 1947 resulted in a subdivision of the 26,398 outstanding no par value common shares into 26,398 new cumulative preferential participating class "A" shares and 26,398 new common shares, no par value. Authorized capital now consists of 33,000 shares each of class "A" and common, of which 26,389 shares of both classes are issued and outstanding.

Net profit for the year ended June 30, 1948, amounted to $87,504, down approximately 48% from 1947 fiscal year. Earnings amounted to $3.31 per share class "A" before participation and to $1.66 per common share after participation. Comparable earnings in the 1947 fiscal year were $6.33 a class "A" share and $3.17 on the common.

Inventories increased to $326,912 from $219,719 in the previous year. Working capital at $815,285 was $18,152 higher. After payment of $16,131 for preferred

(Continued on page 26)

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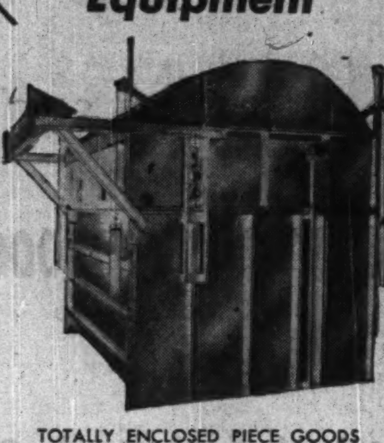

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BRANTFORD, ONTARIO

COIN LAKE GOLD MINES reports no work was carried out during the year on any of the claims held by the company and that very little work was done on any of the claims held by other companies in which Coin Lake has an interest. Further work is expected to be carried on when conditions in the gold mining industry improve. Balance sheet as at Dec. 31, 1948, shows $106,056 book value of quoted securities with a $356,054 market value (including 100,000 shares of Cochenour Willans). Other mining shares and investments were shown at $508,817 after deduction of reserve. On the liability side, company showed a $89,849 call loan, a $52,484 bank overdraft and $480 accrued charges. Loss in 1948 was $4,855.

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More Emphasis on Merchandising and Ads Marks Competition in Knitted Goods Field

(Continued from page 25)

dividends, an amount of $71,373 was transferred to surplus.

Sales to the middle of May had been about 12% ahead of the previous year, the company told The Financial Post, but buying was slowing up more than at any time since the beginning of the year. Operating expenses are coming down a little and earnings are expected to be about the same as a year ago, the company states.

Grand'Mere Knit.

Grand'Mere Knitting Co. operates a plant at Grand'Mere Que., and was incorporated originally in 1933 to manufacture Basque berets. Since that time, other products have been added including knitted gloves, scarves, socks, sweaters, etc. Output is marketed across Canada.

The company since February, 1948, has been operating from a new plant on which construction was begun in 1946. The mill has a floor space of 57,000 sq. ft.

In 1946 the company issued $300,000 4% serial bonds due 1952-61 to retire $44,500 5% bonds then outstanding and the balance, together with the proceeds of sale of the building then occupied, to provide funds for construction of the new plant and purchase of new machinery. In February, 1948, company sold $250,000 ($300,000 authorized) 5% cumulative redeemable class A preferred shares, $25 par, which were offered to the public. Proceeds were for new machinery and additional working capital.

Average yearly consolidated net earnings for the five years ended Dec. 31, 1946, were $34,960 or $3.50 per preferred share.

In addition to the first mortgages bonds and class A preferred shares capitalization consists of 10,000 authorized and issued $5 par non-cumulative class B preferred shares and 40,000 authorized, 31,000 issued $5 par class A common shares.

Jantzen Knitting

Jantzen Knitting Mills of Canada, Ltd., with head office at Vancouver, manufactures and markets knitted goods.

Capital reorganization approved March 31, 1947, eliminated accumulated dividend arrears and accumulated deficit, and left the company with a capital structure of 60,000 common shares. Control of the company was acquired in 1947 through purchase of majority of stock by a group headed by J. R. Bayne. Jantzen Knitting Mills, Inc. of Portland, Oregon, also acquired a stock interest.

Earnings for the year ended July 31, 1948, amounted to $48,913. After deducting taxes of $23,151, net earnings were $25,762, compared with $24,918 in the previous year. Dividends of 25c per share were paid in August, 1947 and 1948.

London Hosiery

London Hosiery Mills Ltd. manufactures lisle, wool, rayon and cotton hosiery, nylon and pure thread silk hose at London, Ont. It also maintains a dye plant which handles all of the company's own dyeings and a custom dyeing business for other large manufacturing companies.

Production increased in all departments and sales value for the year ended March 31, 1949, was at a record peak. Net profit amounted to $118,741 ($96,458) equal to $2.64 per share Class A and $1.03 on the common ($2.14 and 76c). Regular dividends of 80c per share were paid on the Class A stock and payments of $1.00 were made on the common.

Production costs showed a slight increase as a result of higher prices of yarns and other materials used as well as a rise of 10% in labor costs.

Working capital of $639,413 at March 31, 1949, had increased from $612,731 at end of previous fiscal year. Inventories were higher at $236,698 compared with $214,297.

Capital expenditures during the year amounted to $19,943 for purchase of new equipment and obsolete equipment was sold at a profit of $2,453 over depreciated book value.

Although the hosiery business is now returning to a more normal basis, the company is planning to conduct operations to meet changing conditions and is looking to the future with confidence the annual report states.

Mercury Mills

Mercury Mills, Ltd. manufactures a wide range of knitted goods the major part of its output being wool, cashmere, nylon, rayon and silk hosiery and underwear. Two plants are operated, one in Hamilton and the other in Listowel, Ont. The Listowel division is operated by a wholly owned subsidiary, the P-K Mills Ltd., which produces hand-knitting and commercial yarns for use by the company itself and for sale as a separate product.

Products are known under the trade name "Crusader," "Bodyguard," "Mercury," "Tricot-Knit," "Doctor Denton," "P-K," "Knitwell." New products include "cushion sole" hose for men as well as men's hose reinforced at the heel and toe with nylon. Further developments of nylon fabrics for women's wear have also been announced.

Approximately $337,000 was spent during 1948 on additional machinery and equipment.

Net profit in 1948 amounted to $530,770, an increase of 43.5% over 1947. Earnings amounted to $1.84 per share compared with $1.28 in 1947.

Working capital totaled $1,909,945 at Dec. 31, 1948, compared with $1,763,763 at the end of 1947.

Inventory was valued at $2,276,889 before reserves as compared with $1,911,572 at the end of 1947, an increase of over 19% resulting from higher cost of materials and labor and a return to prewar merchandising policies entailing the necessity of carrying higher stocks of finished goods. Inventory reserve stands at $500,000.

First mortgage bonds outstanding showed an increase of $525,000 during the year of which $337,000 was spent on capital equipment and the balance included in working capital. On Dec. 31, 1948, shares were subdivided three-for-one and a dividend of 15c a share was declared payable Feb. 1, 1949. Present outstanding capitalization consists of $1,175,000 4% first mortgage bonds and 283,650 shares of common stock, no par value. At Dec. 31, 1948, options were outstanding on 16,350 shares of common stock at a price of $6.66 per share.

The company anticipates sales figures not far below the peak year of 1948. Sales and earnings will probably be somewhat lower for the textile industry as a whole, since operating expenses remain fixed or even increased, President J. A. Roberts states.

Monarch Knitting

Monarch Knitting Co. manufactures heavy and fancy underwear, outerwear, knitted goods, hosiery, including nylon stockings for women, piece goods and a complete range of staple and novelty yarns for hand knitting.

Operations are carried on in five factories and in four major divisions as follows: Worsted knitting division, with plant in St. Thomas, Ont., for manufacture of worsted yarns; Woolen knitting division, with plant at Toronto for woolen yarns; Dunnville division, with plants at Dunville and St. Catharines, Ont., for outerwear, hand-knitting yarns, ladies' and men's hosiery; Joseph Simpson division, plant at Toronto, for manufacture of cotton yarns, cotton cloth and underwear. Sales offices and warehouses are maintained at Toronto, Montreal, Winnipeg, Calgary, Ottawa and Vancouver.

An extensive program of plant re-organization and modernization has been carried out over the past three or four years. Additions to fixed assets, largely plant, during 1948 totaled $345,215 bringing the total expenditure on new equipment to Dec. 31, 1948, to approximately $1,211,000.

Gross revenue in 1948 was at a record high but the favorable increase was offset to a great extent by an increase in wages and other operating expenses. Their profits amounted to $248,139 ($324,981 in 1947) equal to $51.35 on the 4½% preference stock and $2.22 per common share ($65.00 and $2.99 in 1947).

Inventories at Dec. 31, 1948, were valued at $2,186,615, a sharp increase from $1,345,722 in 1947.

Operating results obtained during a difficult year in the main appear to be satisfactory, the annual report states, and the outlook for 1949 is thought to be reasonably satisfactory.

J. R. Moodie

J. R. Moodie Co. manufactures knitted underwear for infants, children, ladies and men, as well as cotton yarns, at Hamilton, Ont. Indicated capacity is 300 knitting machines and 400 sewing machines and operations also include a spinning mill, turning out high-grade hosiery yarns.

Authorized and outstanding capital stock is 30,000 no par value common shares. Funded debt of $292,000 6% first mortgage sinking fund bonds, series A, was retired at maturity July 1, 1948. Financial statements are not made available for publication.

National Hosiery

National Hosiery Mills Ltd. manufactures a complete line of full-fashioned hosiery at Richmond, Que. and Hamilton, Ont. The program of mill expansion initiated three years ago progressed further during 1948 with an expenditure in excess of $280,000. A $60,000 building addition is being made at the Richmond plant and about $200,000 of new machinery is expected to be added in 1949 the company states.

1948 net profit amounted to $494,217 ($324,126 in 1947) equal to $14.79 per share Class A stock and $5.05 on the Class B ($3.95 and $6.71 respectively in 1947). Quarterly dividends on the Class B shares have been paid regularly since April, 1948.

There were approximately 22,000 class A shares and 101,000 class B shares outstanding at the end of April, 1949. The class A stock is convertible into class B on a share-for-share basis and during 1948, 48,571 class A shares were converted to take advantage of the larger dividend now being paid on the B shares. Since the end of 1948 approximately 10,000 additional class A shares have been converted.

Working capital at Dec. 31, 1948, was $950,348, up from $721,980 at the end of 1947. Inventories increased from $379,094 to $417,262. Cash was higher at $495,384 compared with $384,447.

Dollar sales for the three months ended March 31, 1949, were said to be 24% above those for the similar period in 1948 and net profits increased 30%, a continuation of the rising earnings trend experienced in 1948.

President E. D. Eastburn stated at the annual meeting, April 22, that customers are still largely on an allotment basis and that while healthy competition exists, the full-fashioned hosiery industry is, as a whole, in a satisfactory position.

N. S. Textiles

Nova Scotia Textiles Co., manufactures a wide range of knitted goods in both cotton and woolen fabrics for men and women in its modern plant at Windsor, N. S. Sales are Dominion-wide. Its trademarks include "Windsor-Wear" and "Evangeline" undergarments.

During the war the company expanded its plant facilities materially to meet war requirements. Financial and operating details are not provided.

Penmans Ltd.

Penmans Ltd. manufactures all kinds of woolen, cotton, and silk knitted goods. Products include hosiery, underwear, sweaters, swim trunks, knit sport clothes, blankets, pulp and paper makers' felts, and jackets. Plants are operated at Paris, Brantford, Waterford, London and Port Dover, Ontario; Coaticook and St. Hyacinthe, Quebec. The Brantford mill is operated by a wholly owned subsidiary, Watson Manufacturing Co.

Net earnings in 1948 amounted to $1,467,327 after provision of $320,000 against future decline in inventory values. Net profit was up slightly from previous year at $355,367 as compared with $351,766. Per share earnings amounted to $33.06 on the preferred and $4.51 on the common ($32.72 and $4.45 in 1947).

Capital expenditures during the year amounted to $290,307. Deliveries of new machinery from abroad continued slow and large commitments still remain to be met, the annual report states. Due to capital expenditures and the replacement of stocks at a high price level, it was found necessary to sell $600,000 of investments in Dominion of Canada bonds which resulted in a capital gain of $24,195.

Inventories at the end of 1948 were valued at $3,072,735 compared with $2,401,381 at the end of 1947. These figures are after reduction of reserves against possible decline in value.

Outlook for the remainder of the current year is not as optimistic as at the same date last year President A. F. Baillie stated at the annual meeting on April 25. Distribution channels are fairly well supplied and competition is becoming keener. The company has sufficient business on its books to keep them occupied for another two or three months, Mr. Baillie stated, and the company is fairly optimistic for fall on its staple lines but does not expect the volume of its higher priced lines to equal last year's figures.

Regent Knitting

Regent Knitting Mills, Ltd. operates spinning and dyeing plants at St. Jerome, Quebec, and mills for the manufacture of heavy woolen and worsted goods and fancy knitted goods. The company develops its own water power at St. Jerome on the North River.

Control of the company was acquired in 1944 by Grover Mills Ltd., Montreal.

Net earnings from operations in 1948 amounted to $1,150,620 ($1,151,536 in 1937), and net profit was $244,033 ($440,454 in 1937) equal to $15.25 per share preferred and $3.36 per common share ($27.53 and $6.38 in 1947). Provision for depreciation was higher, at $246,719, compared with $186,124 in 1947, and an amount of $250,000 was transferred to inventory reserve.

Inventories at the end of 1948 amounted to $2,497,972, compared with $2,142,568 at the end of 1947. Bank loan and overdraft were higher, at $1,154,964, compared with $1,141,108. Working capital increased from $919,460 to $1,311,612 at the end of 1948. Properties were reported to have been maintained in excellent condition during 1948. Outstanding capital stock amounts to 16,000 shares non-cumulative redeemable preferred $25 par, and 65,009 common shares no par value. Funded debt outstanding amounted to $274,000, 4% first mortgage bonds due 1952. An amount of $23,500 matured March 1, 1948, of which $16,000 were redeemed. Further installment of $24,500 becomes due March 1, 1949.

Renfrew Textiles

Renfrew Textiles, Ltd., Renfrew, Ont., manufactures woolens, mackinaws, cloth, tweeds and blanket cloth, frieze, shirtings and coatings. The company's products are sold throughout the Dominion.

Net profit in 1948 was up at $39,958, compared with $37,208 in 1947. Earnings amounted to $1.60 per share class A, and 35c per share class B before participation, and 84c and 49c respectively after participation, compared with $1.49 and 40c before participation and 70c and 35c after participation in 1947.

Working capital at $192,955 at Dec. 31, 1948 was above the $181,728 shown at the end of 1947. Cash increased from $18,436 to $51,138. Inventories which had been held at the lowest possible level, according to the annual report, were lower, at $136,913, compared with $145,155.

Quarterly dividends of 15c a share were paid on the class A shares. After payment of these dividends earnings were sufficient for a dividend of 25c a share on class B, and a participating dividend of 13c a share equally on both classes of shares, but directors considered it advisable not to pay any other dividends than the cumulative dividends on the class A shares, the annual report stated.

York Knitting

York Knitting Mills Ltd., is engaged in the spinning of woolens, French dye spun worsted, and cotton yarns and the manufacture of a wide range of knitted apparel including men's, women's and children's hosiery, underwear, sweaters, outerwear and bathing suits.

Six plants are operated by the company, two in Toronto, one in Hamilton, and three in Woodstock, Ont. Operations are carried on under the following divisions: York Spinning, Toronto Hosiery, in Toronto; Zimmerknit Division in Hamilton; and Hosiers and Harvey Woods Underwear Divisions at Woodstock. In addition the company operates certain of its hosiery machinery in leased premises at Richmond, Que.

Kroy Unshrinkable Wools Ltd., a subsidiary, owns and operates a plant in Toronto processing Kroy unshrinkable wools. As well as making wool unshrinkable for use in products of York Knitting Mills the company processes wool for other companies in the textile industry. Its wholly owned subsidiary in the United States operates at Lowell, Mass. Taylor-Woods Ltd., another subsidiary of York Knitting Mills manufactures ladies' fine gauge hosiery at Enniskillen, Northern Ireland.

As a result of increased production and sales, use of new machinery, rising efficiency, and price adjustment, net earnings in 1948 at $1,103,000 were well ahead of $848,000 in 1947. Sales increased 22% and a similar increase over 1948 has been maintained in 1949, the annual report states. Net profit at $462,890 was up 24.6% over 1947 and was equal to $1.40 per Class "A" share and 47c Class "B." Additions to company plants during the year cost $1,026,000, bringing total expenditures since 1945 to $1,926,000 of which $1,874,000 was spent on machinery and equipment as distinct from land and buildings. By the end of 1948 the program of rehabilitation and expansion undertaken in 1945 was 80% completed and by the end of 1949 is expected to be completed in all but minor items.

Inventories stood at $3,862,000 at Dec. 31, 1948, compared with $2,923,000 in 1947, reflecting the increase in raw material costs, wages, and other manufacturing costs as well as the greater physical inventory required for the rising volume of production and sales. The transfer of $375,000 from surplus in 1948 brought reserve for inventory to $500,000 at the end of 1948.

Export markets, with the exception of Newfoundland, have been disappointing due to currency restrictions tariffs, discriminatory barter agreements, and other artificial barriers. The entry of Newfoundland into the Dominion is expected to result in an increase in sales.

In regard to subsidiaries, the two Kroy companies and Taylor-Woods Ltd., had not reached profitable operations by the end of 1948. Further investment was anticipated for 1949 but at a greatly reduced level. The Canadian company, Kroy Unshrinkable Wools Ltd., now has a steady and considerable volume of business, and prospects are encouraging, the annual report states.

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PM12-49

Hat, Glove, Carpet Makers, Tailors, Etc. In Strong Competitive Market Position

(Continued from page 23)

at the annual meeting in April. The increase in profits was made possible largely by higher sales volume, rather than increases in selling prices. Margin of profit dropped from 8.1c. per dollar in sales in 1947 to 7.9c. in 1948. Any substantial sales decline would make a reduction in costs necessary, Mr. Thompson stated.

Net profit for 1948 amounted to $317,638 ($257,904 in 1947), equal to $81.38 per share preferred and $2.98 on the A and B stock ($63.59 and $2.38 respectively in 1947). Despite the policy of the company to build up cash position, it was felt that earnings were sufficient to justify a regular dividend policy, and the common shares have been placed on a regular dividend basis of $1 per share per annum, the annual report notes.

An amount of $197,735 was spent during 1948 on improvement and modernization of plant. Further additions were made to the productive facilities of Supersilk Hosiery Mills, and resulting operating economies helped to offset in part substantial wage increases.

Great West Felt

The Great West Felt Co., Elmira, Ont., owns and operates one of the largest heavy felt footwear plants in the British Empire. Virgin wool is processed and manufactured into approximately 150 styles of felt footwear. The company's products are known under the registered trade mark "Great West," "Polar King," and "Cold Proof." Products are marketed direct to mail order houses, wholesalers, retailers, and jobbers throughout Canada. Arrangements were made in 1946 to secure distribution in the United States.

Main plant is located at Elmira, Ontario, with a branch plant at Listowel, Ontario. The modernization program begun early in 1946 was completed during 1947.

Sales in 1948 were approximately 12% below 1947, mainly due to extremely mild weather throughout Eastern Canada in November and December, the annual report states. Nevertheless, net profit increased slightly to $80,713 ($76,563 in 1947). This was equal to $3.27 per preferred share and $1.93 on the common ($3.06 and $1.83). An initial dividend of 60c per share was paid on the common stock, Nov. 15, 1948, and it is anticipated that earnings will warrant continuation of this amount on an annual basis.

Inventories increased from $171,988 at the end of 1947 to $214,677 at Dec. 31, 1948. Bank loan was lower at $12,066 compared with $50,000. Working capital increased from $146,366 to $202,685.

With development of a new type of felt footwear to add to the company's already well-established products, it is expected sales this year will remain at a high level, President L. A. Dunbar stated at the annual meeting in February.

Guelph Yarns

Guelph Yarns Ltd. is a wholly owned subsidiary of Harding Carpets Ltd., manufacturing worsted, weaving, machine and hand-knitting yarns and carpets at two plants in Guelph, Ont. Complete ownership was acquired in October, 1944, by Harding Carpets, and financial results are consolidated with those of Harding Carpets. A total of $245,000 serial debentures 3¼%, due 1949-1961, are outstanding.

Harding Carpets

Harding Carpets Ltd. manufactures carpets and rugs at its plants at Brantford, Ont., and in Guelph, Ont. A wide range of qualities and widths is manufactured for use in homes, hotels, railway cars, clubs, churches, theatres and for the automobile trade in Canada. Qualities range from the medium-priced spool Axminsters to heavy wool Saxonies.

The worsted spinning division in Guelph is operated by a wholly owned subsidiary, Guelph Yarns Ltd., which changed its name from the Guelph Carpet & Worsted Spinning Mills Ltd. in 1948. This division manufactures for two different types of trade. The first is plain and fancy hand-knitting yarns sold from coast to coast in Canadian retail stores under the name "Guelph Yarns." The second type is plain and fancy machine knitting yarn sold to the machine knitting trade. The latter comprises the larger bulk of the production. This division is licensed to produce yarns with Kroy unshrinkable process and these yarns are finding great favor, particularly when blended with a small percentage of nylon, the annual report states.

Consolidated sales for the year ended Oct. 31, 1948, were the highest in dollar volume in the company's history, showing an increase of 35% over the previous year. Net profit after providing $250,000 inventory reserve was up 41.6% at $404,860 ($285,867) equal to $1.75 per share ($1.24 in 1947). Dividends of 80c per share were paid in 1948 and an extra dividend of 10c a share was paid along with the regular quarterly dividend of 20c on Jan. 3, 1949.

Inventories amounted to $2,646,490 at Oct. 31, 1948, an increase of $816,277 over the previous year. This increase is attributed mainly to higher prices for raw materials as well as to a somewhat larger inventory. An addition of $250,000 to inventory reserve in 1948 brought the total tax paid reserve to $753,050 at Oct. 31, 1948.

Working capital increased from $1,933,965 at Oct. 31, 1947, to $2,237,720 at Oct. 31, 1948. Cash and Dominion bonds increased from $159,893 to $223,659.

The company's postwar program of plant improvement and expansion continued with an expenditure of $287,860 for capital equipment, including a large addition to the spinning plant in Brantford, a new boiler for the Guelph plant, and two new wide 12/4 carpet looms. Expenditures of $340,000 are planned for continuance of the program in the current year.

The outlook for sales in both carpet and worsted yarns still appears to be good, President John S. Dickson stated in December, 1948. More intensive competition is being felt in the carpet division from imported merchandise, chiefly from the United Kingdom.

Hubbard Felt

Hubbard Felt Co. operates plant in Montreal for the manufacture of men's and women's felt hoods, straw hoods and braids. It also operates a dyeing and bleaching business for this type of merchandise. On incorporation in 1937, the company acquired S. Hubbard (Canada) and Anglo-Italian Felt Co.

Net sales for the year ended Nov. 30, 1948, were somewhat reduced as a result of an almost complete turn to straws instead of felts in the spring of 1948, coupled with the loss of the export market owing to exchange restrictions. Net profit was down 16%, at $52,401 ($62,419) equal to $4.19 class A, $4.49 class B and 75c on the common stock ($4.99, $5.82 and $1.08 respectively in 1947).

In view of the inflated condition of the wool market, with the price of wool continuing to rise, it was considered advisable to reduce inventory to a minimum. At Nov. 30, 1948, inventories were valued at $212,299, a reduction from $258,468 at Nov. 30, 1947. Working capital amounted to $299,918 compared with $300,100. Cash and Dominion bonds were lower, at $148,249, compared with $162,666.

Outstanding capital stock consists of 12,500 class A shares no par value, 7,500 class B shares no par value and 30,000 common shares no par value. Class A shares are entitled to cumulative preferential dividends of $1.50, and class B shares to cumulative dividend of $1.50. The three classes of stock participate equally in any further distribution of earnings. Regular dividends have been paid on the A and B shares, and dividends are being paid at the rate of 50c per annum on the common shares.

Lewis Ltd.

Lewis Ltd. is engaged in the manufacture of ladies' full-fashioned hosiery, men's hats and caps, yarn, cloth and blankets. Plants are located at Truro, N.S.

Toronto Carpet

Toronto Carpet Mfg. Co. manufactures carpets and rugs, sold throughout Canada under the trade name "Barrymore Guaranteed Rugs." The company has four operating subsidiaries: Barrymore Cloth Co. and Campbellford Cloth Co., manufacturers of woolen and worsted cloth, knitting and weaving yarns which are sold under the trade name of "Barrymore Cloth"; J. Henry Peters Mfg. Co., manufacturers of ladies' and men's underwear; Barrymore Furniture Co., manufacturers of upholstered furniture.

Toronto Carpet operates large plants in Toronto and J. Henry Peters Mfg. Co. and Barrymore Furniture share a building in Toronto. Barrymore Cloth maintains plant facilities in Toronto and at Pembroke, Ont., while Campbellford Cloth Co. operates a plant at Campbellford, Ont.

Financial statements are not made available for publication. Outstanding capital stock consists of $1,000,000 common stock, $100 par. Present dividend rate is $6 per share per annum. In 1947 the 4% first-mortgage bonds totaling $300,000 previously outstanding were redeemed as were 8,320 6% preferred shares, $100 par.

Tip Top Tailors

Tip Top Tailors Ltd. is engaged in the manufacturing and distribution of made-to-measure and ready-made men's and women's fine clothing. Products are distributed through the company's 53 stores as well as approximately 2,100 agencies throughout Canada. The company also carries on a direct mail business. Plant is located at Toronto.

In 1948, an expansion and modernization program was undertaken calling for new stores to replace present stores at Vancouver, Calgary, Regina, Brandon, Sarnia and Cornwall. Cost of this program was estimated at $500,000 to be supplied without public financing. New outlets were also planned in 10 cities and towns where the company was not yet represented, as well as additional stores in cities where potential business warrants new outlets.

Expenditures for additional fixed assets during 1948 amounted to $421,221, including the erection of a new retail store building in Vancouver, improvements to several of the company's older stores and new production equipment.

Net operating earnings for the 52 weeks ended Jan. 1, 1949, were higher at $820,291 ($588,585 for the previous year). Higher depreciation and income tax provisions as well as transfer of $150,000 to inventory reserves resulted in reduction of net profit from $327,890 to $293,279, equal to $2.44 per common share compared with $2.73 in the previous year.

Verney Corp.

Verney Corporation of Canada Ltd. operates a plant at Granby, Que., for the manufacture of novelty fabrics, including draperies, furniture coverings, swim-suit materials, shoe cloths, rainwear and a variety of materials going to the corset trade. The company is one of the principal Canadian producers of better-grade decorative fabrics.

An extensive expansion and improvement program which began in 1944 has added approximately 40% to the original building. An entire spun rayon unit was added, including machinery for ticking, carding, dyeing, spinning and twisting. A modern finishing plant was installed and a new boiler house constructed, while approximately one half of the looms were replaced with improved models. During 1948 the improvement program continued and additional units of spinning, weaving and finishing machinery were added. The plant can now produce 90% of its own spun yarn requirements, while the dyeing and finishing department is equipped to handle both yarn and fabric. Expansion and modernization of the Granby plant is substantially completed except for the installation of a number of new looms in the summer or early fall of 1949, the company states.

Outstanding share capital consists of 19,600 shares 4½% cumulative redeemable preferred stock $50 par, and 66,000 common shares no par value. All of the outstanding common shares are owned by Verney Corporation of Boston. Net profit in 1948 was more than double 1947, at $162,939 ($75,905) equal to $8.31 on the preferred stock and $1.79 per share common ($3.80 and 47c). Sales showed a satisfactory increase over the preceding year, with substantial progress made in the manufacture and sale of drapery fabrics.

Inventories were higher, at $1,039,256 at Dec. 31, 1948, compared with $712,920 at the end of 1947. Working capital increased from $965,592 to $1,041,431. Cash declined somewhat, from $72,426 to $59,036.

Sales are assuming a more seasonal pattern, necessitating the building up of stocks to have merchandise available for shipping in the selling season. As a result an addition to present building was constructed for storage of finished goods, which has permitted a marked improvement in efficiency in handling both finished goods and raw materials, the annual report stated.

Some slight slackening in sales appeared in the last two months of 1948, and sales in the early part of 1949 were barely keeping pace with those of the previous year, President Gilbert Verney stated in March. It is expected that 1949 will be another year of progress, with the prospect of further improvement in mill efficiency. The company's property is said to be well balanced and in excellent condition to deal with a return to more competitive conditions.

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OUILLETTE MINES shares are currently being offered for sale by Blackburn & Co. and as consideration for them has already been paid, no further payments will be made to the treasury on the proceeds of present sales, the Ontario Securities Commission reports. Authorized capital of the company is two million shares with 1,220,005 shares issued.

DULAMA GOLD MINES is negotiating for $150,000 to bring its mine into production with a 200-ton mill, President M. J. Boylen states in company's 1948 report. Ore reserves totaling 127,625 tons averaging 0.208 oz. gold per ton are stated to have been outlined west of the diabase dyke with further ore indicated by drilling on the east side of the dyke which has not yet been explored underground.

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Record Canadian Output May Speed Rayon Export

(Continued from page 22)

contracts in the last quarter of 1945. At first the entire output was allocated to the full-fashioned hosiery industry but is now sold to spinners and weavers for a wide variety of uses.

Expansion of the plant at Kingston to almost six times the original capacity at a cost of $4 million was completed in 1947. In July, 1948, plans were announced for a further increase in production capacity to keep step with the rapidly expanding use of nylon in the textile field. This addition, which is still under construction, is expected to treble production of nylon staple fibre and increase production of filament yarn by 25%.

In May of this year the company announced plans for yet another addition to the nylon division which would almost double its production of nylon yarn and staple fibre. Construction was expected to get under way immediately with the additional facilities scheduled to be in full operation by mid-1951.

Sales of nylon continuous yarn last year totaled about 2.5 million lbs. and nylon staple fibre about 200,000 lbs. Deliveries in 1949 of approximately 2,750,000 lbs. of yarn and 500,000 lbs. of staple fibre are forecast. Based on these figures, estimates indicate that nylon production capacity will total more than five million pounds of yarn and approximately one million pounds of staple fibre by the middle of 1951.

Another of the company's divisions—the "Fabrikoid" Division located at New Toronto, Ont., produces waterproofed fabrics such as rubber and pyroxylin coated fabrics for wearing apparel and furniture coverings as well as the automotive industry.

Courtauld's (Canada)

Courtauld's (Canada) Ltd. $15 million program of expansion of its rayon productive capacity is nearing completion. Early this year, the company brought into production its new viscose manufacturing plant at Cornwall, Ont., and in August, the first unit of its new viscose staple fibre plant is scheduled to go into production.

The new central viscose plant has a capacity more than double that of previous manufacturing facilities. With the installation of new equipment in the yarn manufacturing departments, capacity for textile yarn and tire yarn will be 23 million lb. annually. Of this, textile yarn production is expected to represent about 14 million lb. per year—the prewar production rate reduced during the war, due to the necessity of switching a larger proportion of the plant's capacity over to manufacture of heavy tire yarn. Tire yarn production will be about 9 million lb. annually.

In addition, the new viscose plant will supply the staple fibre operation. The first unit with an annual capacity of five million lb. of viscose staple fibre is to start up next month, and the second unit, with the same capacity, is due to go into production early in 1950. This will be Canada's first and only producer of viscose staple fibre which now must be imported, principally from the United Kingdom. The new plant is expected to go a long way towards meeting domestic requirements.

Courtaulds (Canada) Ltd. has been producing viscose rayon yarn at Cornwall since 1925. The company extended its plant several times until, at the outbreak of war, capacity had been increased to more than four times the original. Extensive re-equipping and reorganization of the textile and tire yarn departments has been carried out coincident with building of the new central viscose and staple fibre plants.

Riverside Silk

Riverside Silk Mills Ltd. produces and supplies silks, rayons and nylons used in the manufacture of ladies' underwear and hosiery. Garments or hosiery are not produced. Operations were commenced at the company's plant at Galt, Ont., in 1915 and the manufacture of broad silk was started in 1924. A second plant commenced operations in January, 1947, at Mitchell, Ont., with 100 automatic nylon silk fabric and spun silk looms. A new weaving unit was also placed in operation late in 1947.

Sales increased by 27% in 1948 and net profit was up 6.3% at $115,235 ($108,347 in 1947). Earnings amounted to $3.84 Class A, and $2.76 Class B before participation- ($3.61 and $2.41 respectively in 1947). After participation earnings amounted to $2.30 on the combined Class A and Class B compared with $2.17 in 1947.

Substantial capital expenditures in connection with the modernization of the sewing division are thought to have been justified in view of the improvement in earnings. The development of new synthetic fibres is receiving careful attention and expenditures have been authorized to install an initial unit to process synthetic fibres.

Heavy capital expenditures resulted in a reduction of $21,329 in working capital to $468,942 at the end of 1948. Inventories increased to $245,884 from $215,419.

Cash on hand increased from $350 to $86,296. Market value of investments declined from $274,850 to $120,925. Bank loan was lower at $70,663 compared with $87,043.

Volume of business is expected to be maintained in 1949 and every effort will be made to further expand operations, President L. A. Dunbar stated at the annual meeting on March 30.

Wesley Mason Mills

Wesley Mason Mills Ltd., formerly Laurentian Silk Mills Ltd., manufactures silk, wool, nylon and artificial silk piece goods at Cap de la Madeleine, Que. Weaving mill is equipped with 269 looms, 4 jersey knitting machines and a complete throwing and twisting unit. A spinning mill with 30,000 spindles, 600 twisters, 18 carding machines is also located at Cap de la Madeleine.

This plant has the capacity to produce 17,000 lb. of finished yarn per week. The company also owns a weaving mill at Drummondville, Que., which is leased to its subsidiary, Louis Roessel. It is equipped with 4,000 spindles, 117 looms and a complete throwing and twisting unit.

In 1949 all the outstanding capital stock of Herbert Hosiery Mills of Canada Ltd. was acquired. This company was incorporated in 1931 and manufactures a large variety of men's, women's and children's hosiery. Its plant is located at Toronto and is equipped with circular knitting machines, looping and throwing machines and turning machines, conveyors, etc.

Early in 1949 a public offering was made of $750,000 Wesley Mason Mills Ltd., 5½% cumulative redeemable sinking fund preferred shares, $100 par. All the outstanding common shares were purchased by N. M. Davis Corp., Toronto. Proceeds from the sale of the preferred shares were used to acquire the shares of Herbert Hosiery Mills from N. M. Davis Corp.

Present outstanding capital stock consists of 50,000 common shares, no par value, and 7,500 preferred shares. Funded debt outstanding amounts to $677,000, 4½% first mortgage and collateral sinking fund bonds due February 1st 1967. Application has been made for listing the preferred shares on the Toronto Stock Exchange.

Sales for the first quarter ended January 31, 1949, were reported to be 32% higher than the corresponding period of the previous year. Net earnings for the year ended October 31, 1948, amounted to $284,202. January sales of the Herbert Hosiery Division reached an all-time high and sufficient unfilled orders are reported to be on hand to ensure capacity operations for at least four or five months. President A. Wesley Mason stated that the outlook for all divisions of the company was most promising for the balance of the fiscal year.

Silknit Ltd.

Silknit Ltd. manufactures directly and through subsidiaries broad-woven and knitted fabrics of cotton, wool and rayon for sale in the piece and diversified lines of underwear, lingerie, sleeping wear, swim suits, housecoats, etc.

Products are marketed under various labels including "Sulette," "Formula," "Pacemaker" and "Catalina." Over 95% of the output of the company and its Canadian subsidiaries is sold in the domestic market to chain stores, specialty shops, department stores, wholesale jobbers and manufacturers. The balance of sales is made to Newfoundland, British South Africa, British West Indies and other export markets.

Plant consists of three buildings in Toronto, a sewing plant at New Hamburg, Ont., and a leased property which is operated at Chesley, Ont. Subsidiaries operate from leased premises in Montreal, Granby and Sorel, Que. Equipment in Ontario includes 325 knitting machines and 500 sewing machines and related equipment. Combined equipment of the Quebec subsidiaries includes approximately 590 machines and all the necessary accessory equipment for trimming, cutting, and maintenance.

A wholly owned subsidiary, Silknit, Ltd., manufactures knitted piece goods in England for the local and export market. Australian Silknit Ltd. and its subsidiaries with head office and main plant in Sydney, Australia, are controlled by the Canadian company which owns all the outstanding common shares of Australia Silknit Ltd. This company operates a complete knitting and dyeing plant at Sydney, Australia.

In July, 1948 all the outstanding preferred and common shares of Coaticook Textiles Ltd. were acquired by Silknit Ltd. This company operates a mill at Coaticook, Que., for the manufacture of broad-woven rayon materials.

Volume of sales in 1948 was at an all-time high and consolidated net profits were the highest in the company's history. Net profit in 1948 was 38.2% above 1947 at $602,105 ($435,724) equal to $39.23 on the preferred and $8.79 per share common ($42.21 and $6.69 respectively).

Although approximately three-quarters of the 1948 earnings arose from the operations of the Canadian company and its subsidiaries, a good improvement in earnings was also recorded by the English and Australian companies.

Inventories amounting to $3,524,138 at December 31, 1948 compared with $2,550,497 at the end of 1947. Working capital increased from $2,172,070 to $2,553,356. Bank loans were higher at $285,816 compared with $59,953, while cash declined from $113,084 to $53,899.

Operations to date in 1949 compare favorably with 1948, President M. H. Epstein stated at the annual meeting on May 23.

Does Textile Industry Future Belong to Synthetic Fabrics?

It is not hard to find textile men who believe that the future of the textile industry belongs to synthetics.

Today, researchers are making fibres from scores of raw materials which, to the laymen appear to have no relation to textiles—woodpulp, coal tar, skimmed milk, soybeans, seaweed, peanuts, glass, asbestos and even aluminum. Many are well past the research stage.

But when textile men talk of synthetics, they are mostly referring to rayon and nylon. These have so far done most to take the textile business out of the cotton fields and the sheepfold and into the laboratory.

It is still too early to say just how much of the market will eventually fall to rayon and nylon. Wartime development and needs made it difficult to establish any long term trend. But certain facts stand out clearly.

In the last 10 years, production of rayon filament yarn has more than doubled. Rayon staple fibre wasn't made at all here before the war. Now we have a capacity of about 13 million pounds a year. Present rayon consumption is about 130 million yards annually.

Perhaps a clearer picture of the revolution in textiles is a comparison of rayon fabrics to cotton and wool. In 1938 rayons accounted for 12%. Last year, it was up to 21%.

The record of nylon is even more impressive. From nothing at all in 1941, output this year will probably run about 2.7 million pounds of filament yarn and 500,000 pounds of staple fibre. This will likely be doubled by 1952.

All this has cost millions of dollars in research and plant. From 1946-48, Canadian Celanese which makes acetate rayon, spent almost $10 millions expanding its Drummondville plant and building a spinning and weaving mill at Sorel.

Courtaulds (Canada) has just completed a $15 million program to increase capacity. Canadian Industries, Ltd. has spent $4.5 millions on its nylon plant and recently announced it would double capacity by 1952.

This makes a total expenditure on the first phase only of something like $30 millions.

Why Synthetics Are Used

What makes all this worth while? What advantages do synthetics have over cotton and wool?

Take rayon. Perhaps the foremost reason is the improvement in quality. Early rayon fabrics were stiff and woody. Today's match the finest silks and satins, making it a natural for the dress and fashion industries.

It has also become a major fabric in men's clothing, especially summer tropicals and won markets in the industrial field. In tire-making, cotton has pretty well given way entirely to rayon. Last year total supply of rayon tire yarn was 10.4 million pounds.

Nylon is the more glamorous of the two synthetics. Although it was developed mainly for military uses such as parachutes, it quickly took over as the "class" product in women's hosiery. Now it is being used in virtually all kinds of clothing, even men's socks, sweaters and suits.

Although it has few industrial uses at present, its potential is considered great. Nylon staple fibre is being blended with wool to make industrial felts for the pulp and paper industry. Filament yarn is used to make laundry press clothes, filter fabrics, aircraft wing covers, fishing nets and tire cord fabrics.

Another important advantage all synthetics have is price stability; cost factors aren't related to the vicissitudes of the elements and to international economic and political forces over which the manufacturer has no control.

The first phase of the expansion in synthetic textiles is over—but the man with the test tube may be just nicely started.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HUDSON'S BAY CO. net profit for year ended Jan. 31, 1949, was $1,807,000, up 18.3% from $1,527,000 in previous year. A drop of 5.5% in trading profit to $7,249,000 was more than offset by lower provision for taxes.

Sales of the retail stores serving the big cities were again at a record. The program of improvements and extensions to these stores is reported to be well in hand. Inventories are fairly high but a close watch is being maintained on the ratio to sales. Operations of the interior stores serving smaller communities were somewhat hampered by the modernization program and 1948 was a year of consolidation.

The Fur Trade department, which operates a chain of over 200 small stores, showed a sales increase of about 25% over the previous year. A substantial building program has also been carried on in this department.

In the Fur Sales Department, a new fur sales building is being erected in Montreal and this additional outlet, together with existing ones, is expected to greatly benefit operations. The price of furs declined steadily during the year and, although it cannot yet be said that stabilization has been reached, there is a large latent demand for fur garments throughout the world which will become evident on any easing of restrictive import policies, the annual report states.

Sales of the Wholesale Department again exceeded the previous year, particularly tobacco, but the margin of profit was somewhat lower.

Hudson's Bay Oil & Gas Co., which is jointly owned by the company and the Continental Oil Co. of the U. S., is following up oil developments in Alberta with satisfactory results. This is expected to require further financing.

The trend towards a greater economic stability in the Prairie Provinces — more variety in farming, and expansion in manufacturing and the production of oil—is of particular interest to the company.

CONDENSED CONS. BALANCE SHEETS*

As at Jan. 31:	1949	1948
Cash	$3,857,000	$9,135,000
Govt. secs.	5,880,000	3,180,000
Accts. rec.	11,396,000	10,569,000
Inventories	25,730,000	22,484,000
Sundry inv.	410,000	393,000
Total curr. assets	47,273,000	45,761,000
Fixed assets	17,594,000	16,819,000
Total assets	64,867,000	62,580,000
Total curr. liab.	15,885,000	15,702,000
Funded debt	4,000,000	5,000,000
Pension prov.	2,315,000	2,235,000
Def. repairs	4,680,000	4,431,000
Capital res.	15,232,000	14,880,000
Capital stock	10,044,000	10,044,000
Earned surp. & rev. res.	12,702,000	10,288,000
Working capital	31,388,000	30,059,000

*Canadian figures converted at $4.03 per £1 sterling.

CONSOL. INCOME ACCOUNT

Years Ended Jan. 31:	1949	1948
Trading profit	$7,249,000	$7,670,000
Less: Deprec.	2,349,000	2,232,000
Prov. for taxes	3,093,000	3,911,000
Net profit	1,807,000	1,527,000
Less: Dividends	442,000	442,000
Surplus for year	1,365,000	1,085,000
Earnings per Share and Dividend Record:		
Ordinary	$0.73	$0.61
Paid	5%+5%*	5%+5%*

*Paid out of land a/c.

BEVCOURT GOLD MINES realized revenue of $56,916 in 1948 of which $52,916 was derived from milling of ore. Balance sheet as at Dec. 31, 1948, showed $3,689 cash, $6,387 receivable and $9,601 supplies against current liabilities of $1,896.

WOODS MANUFACTURING CO.
LIMITED
EMPIRE COTTON DIVISION

•

Manufacturers Sheetings — Bag Cloths
"Durable Denims"
Ounce Ducks
Yarns for the Knitting Trades
Sewing Twine — Wrapping Twine

•

Main Office and Mills at
WELLAND, ONTARIO
GENERAL SALES OFFICE:
401 LOGAN AVE., TORONTO
BRANCH OFFICES:
MONTREAL — WINNIPEG

From Coast to Coast

a Wesley Mason Fabric REGD

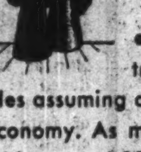
MANUFACTURED BY:
LOUIS ROESSEL AND CO., LTD.
MASON SPINNING LIMITED
LAURENTIAN SILK MILLS
HERBERT HOSIERY MILLS OF CANADA LIMITED

OWNED AND CONTROLLED BY:
WESLEY MASON MILLS LIMITED

Head Office
1449 St. Alexander St.
Montreal, P.Q.

MILLS AT:
CAP DE LA MADELEINE, P.Q.
DRUMMONDVILLE, P.Q.
TORONTO, ONT.

Woven into the Fabric of Canadian Life



• Canada has become the third largest trading nation in the world, with textiles assuming an increasingly important place in our economy. As manufacturers of fabrics and yarns—with some 4,000 employees, an annual payroll exceeding $8,000,000—we are conscious of Canada's progress and proud of the part we have been able to play in it.

The growth and progress of a country can do no more than reflect the skill and energy of its people. The skills and energies of Canadian Cottons' people in Marysville, N.B.; Milltown, N.B.; Cornwall, Ontario and Hamilton, Ontario, have contributed not only to the growth of the Company but also to the development of Canada.

Canadian Cottons' products are so widely diversified that they are to be found in every corner of human life. More than half a century of progressive development has established our enterprise and our products as strong threads in the fabric of our nation.

Canadian Cottons
LIMITED

Mills
MARYSVILLE, N.B.
MILLTOWN, N.B.
CORNWALL, ONT.
HAMILTON, ONT.

Sales Offices
MONTREAL
TORONTO
HAMILTON
WINNIPEG
VANCOUVER

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 267

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th July, 1949. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of August, 1949, to shareholders of record of the 15th July, 1949.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 9th June, 1949.

Commonwealth International Corporation Limited

Sixty-second Consecutive Dividend

Notice is hereby given a dividend of five cents (.05) per share has been declared on the Common Stock of the Company—payable August 15th, 1949, to shareholders of record August 1st, 1949.

By Order of the Board,

(Signed)
J. C. BROWN,
Secretary-Treasurer.

Montreal, Quebec,
July 6th, 1949.

Northwestern Utilities, Limited

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared the Twelfth Quarterly Dividend of $1.00 per share payable on August 1st, 1949, upon the outstanding 4% Cumulative Preference Shares of the Company, such dividend to be paid to the Shareholders of record at the close of business on July 15th, 1949. Cheques will be mailed.

Dated at Edmonton, Alberta, the 5th day of July, 1949.

C. L. METCALFE,
Secretary.

GREAT WEST COAL COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of seventy-five cents (75c) per share on the outstanding common shares in the capital stock of the company has been declared payable on August 15th, 1949, to shareholders of record at the close of business on July 29th, 1949.

By Order of the Board.

ROY W. WILTON,
Secretary.

BRANDON, Manitoba,
July 2nd, 1949.

FEDERAL GRAIN, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $4.12 per share on the 6½% Cumulative Redeemable Preference Shares of the Company (being $2.50 on account of arrears of dividends, and $1.62 in respect of quarterly dividend due August 1st, 1949) has been declared, payable on August 1st, 1949, to shareholders of record at the close of business on July 18th, 1949.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business on July 18th, 1949, until the close of business on August 1st, 1949.

By Order of the Board,

A. R. STRACHAN,
Secretary.

Winnipeg, Manitoba,
July 6, 1949.

SHIRRIFF'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st day of June, 1949.

On the outstanding 5% Cumulative Redeemable Preferred Shares of the Company, one and one-quarter per cent (1¼%) (.25c) per share, payable on the 1st day of August, 1949, to shareholders of record on the 13th day of July, 1949.

On the outstanding Class A Shares six cents (.06c) per share, payable on the 1st day of August, 1949, to shareholders of record on the 13th day of July, 1949.

By Order of the Board.

J. G. McKNIGHT,
Secretary.

Dated at Toronto,
June 16, 1949.

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending July 31st, 1949.

On the 6% Preferred Shares, the regular one and one-half (1½) per cent (37½ cents), payable August 1st, 1949, to Shareholders of Record July 12th, 1949.

On the 5% Preferred Shares, the regular one and one-quarter (1¼) per cent (31¼ cents), payable August 1st, 1949, to Shareholders of Record July 12th, 1949.

On the No Par Common Shares, 50 cents per Share, payable August 1st, 1949, to Shareholders of Record July 12th, 1949.

By Order of the Board.

T. E. McDERMOTT,
Treasurer.

CANADA FOILS, LIMITED

DIVIDEND NOTICE

Class "A" Shares of No Par Value

Notice is hereby given that the regular quarterly dividend of fifteen cents (15c.) per share (being at the rate of 60c. per share per annum) will be paid on the 15th day of August, 1949, to shareholders of record at the close of business on the 28th day of July, 1949.

By Order of the Board.

W. A. RENNIE,
Secretary.

Toronto, Ontario.
July 7th, 1949.

CANADA FOILS, LIMITED

DIVIDEND NOTICE

Common Shares of No Par Value

Notice is hereby given that a dividend of 10 cents (10c.) on the Common shares of No par value will be paid on the 15th day of September to shareholders of record at the close of business on August 25th, 1949.

By Order of the Board.

W. A. RENNIE,
Secretary.

Toronto, Ontario,
July 7th, 1949.

U. S. Crop Estimate Down; Wheat Futures Strengthen

Special Correspondence

WINNIPEG—The crop estimate of the United States Department of Agriculture, issued this week, puts total wheat production for the country at 1,337,000,000 bushels, a decline of approximately 150 millions, from previous estimates.

Of the drop, approximately 100 million bushels is in winter wheat, the result of disappointing threshing outturns. The spring wheat estimate is down by approximately 50 million bushels because of adverse growing conditions.

The trade had been expecting a somewhat larger decline in winter wheat, as a great deal of damage was done by various diseases just prior to harvest and further damage by wet harvest weather. As a result, there has been a considerable loss in grade besides tonnage loss. Probably 100 million bushels or more of winter wheat will not be fit for milling and will have to be used for feed. Much of this has been degraded because of light test—weight, ranging all the way down from 57 to 42 lbs. to the measured bushel. Even with these losses, the U. S. will have a lot of wheat. Impaired yields and grades mean however, a great relaxation in marketing pressure and also in pressure on storage space because much of the low grade wheat will be retained on farms.

Futures Strengthened

Wheat futures prices in Chicago have been strengthened until all are above the level of $2.00 per bushel, with cash deliveries commanding premiums. Loan price support level basis at Chicago, is $2.26 per bushel. The first rush of marketings of winter wheat carried prices below the support level, an effect which market observers now think may soon wear off.

Crop observers in Western Canada are now making the first tentative guesses at this year's outturn. Last year's wheat production was put at 362 million bushels, well above any possible output this year, in spite of an increase of 2 million acres or more in the seeded area. Manitoba prospects are, on the whole, regarded as excellent at the moment and the yield may well go above last year's figure of 52 million bushels. Saskatchewan may do as well as, or perhaps a shade better than the last year's 195 million bushels. The very poor outlook in the south-west corner of the province tends to be balanced by a very good situation in the east and north. Alberta, however, it is thought, cannot come within 30 million bushels of last year's 113 million bushels.

Such guesses, of course, are based on present growth and development. To make them good, continued rains will be necessary to overcome the lack of sub-soil moisture reserves over large areas. Where stands are heavy, and in some places they are very heavy, it will need much more moisture than is now available to mature such a crop as is theoretically possible. In the dry areas of southwestern Saskatchewan and central Alberta rains are, of course, also hoped for. There, however, the crop has deteriorated beyond recovery. The very best of weather from now on can give only meagre returns.

DIVIDEND NOTICES

LA LUZ MINES LIMITED

DIVIDEND NO. 3

NOTICE IS HEREBY GIVEN that a dividend of Five Cents (5c.) per share has been declared by the Directors of La Luz Mines Limited, payable in Canadian funds on August 10th, 1949, to shareholders of record July 20th, 1949.

By Order of the Board,

A. G. FULTON,
Secretary.

July 5th, 1949.

DONNACONA PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative Convertible Redeemable Preferred Stock of the Company for the quarter ending August 15th, 1949, payable August 15th, 1949, to shareholders of record on the 15th day of July, 1949.

By Order of the Board.

P. L. FITZGERALD, C.G.A.
Secretary.

Quebec City, P.Q.
July 6th, 1949.

MAILMAN CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the outstanding Preferred Shares of the Corporation for the quarter ending July 31st, 1949, payable July 30th, 1949, to Shareholders of record at the close of business on July 15th, 1949.

By Order of the Board.

WM. F. MACKLAIER,
Secretary.

Montreal, July 6th, 1949.

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board a quarterly dividend of twelve and one half cents (12½c.) per share on the Common Shares of the Company has been declared, payable on and after the 1st Day of August, 1949, to holders of record at the close of business on the 15th day of July, 1949.

DATED at Ottawa this 8th day of July, 1949.

LAWRENCE FREIMAN,
President.

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board the quarterly dividend of 1⅛% upon the outstanding Preference Shares of the Company has been declared, payable on and after the 1st Day of August, 1949, to holders of record at the close of business on the 15th day of July, 1949.

DATED at Ottawa this 8th day of July, 1949.

LAWRENCE FREIMAN,
President.

PowerCompany Revenue Rises

Southern Canada Power Co. in a letter to shareholders dated July 15, 1949, reports gross earnings for the 12 months ending May 31, 1949, of $5,000,643 compared with $4,523,635 in the previous 12 months. After deductions totaling $4,941,123 for operating and maintenance expense, taxes, interest, dividends, depreciation, etc., surplus was shown at $59,520. Deductions in the previous year of $4,491,304 left surplus of $32,331.

During the past three months, 1,090 new customers were added. Rural line construction is said to be proceeding on schedule with 69 miles added. Merchandise sales for the quarter were $245,326 including a wide variety of appliances.

The plant department has been busy on new construction and additions. Thirteen and one-half miles of 48 K.V. line connecting the new Magog substation with Ayers Cliff and Burroughs Falls was put into service, and the line between Burroughs Falls and Barford was converted to 48,000 volt operation from 22,000 volts. A 1,500 K.V.A. transformer tie was installed at Burroughs Falls to interconnect the 48,000 and 22,000 volt transmission systems. The substation at Lennoxville has been extended and adapted for a new and larger bank of transformers of 3,500 K.V.A. capacity, together with higher capacity switching and control equipment to accompany conversion of the distribution system from 2,300 volts to 4,000 volt operation.

Stream flow conditions have been fair in the past three months and the water in the storage reservoirs has been increased although they were not completely filled by the spring flood. The power consumption of the system has continued considerably above last year.

The outlook is regarded as favorable in view of the progress of industrial development in the area and the introduction of a large number of new industries.

COMPANY REPORTS

DOMINION-SCOTTISH INVESTMENTS LTD. net profit for year ended May 31, 1949, amounted to $200,083, up 17.6% from $170,190 in the previous year. In order to qualify as an Investment Company under the Income Tax Act, the Trust must distribute 85% of its net income and therefore, in addition to the regular dividend of $2.50 per share preferred an amount of $1.50 per share was declared on arrears payable Sept. 1, 1949. This payment will reduce arrears to $3.50 per share.

The investments of the Trust at May 31, 1949, numbered 261. Of the 232 preference and common stocks, 211 are listed on recognized exchanges, the annual report states.

INCOME ACCOUNT

Years Ended May 31:	1949	1948
Net earnings	$234,913	$211,905
Less: Bond int.	30,000	30,000
Income tax	4,830	11,715
Net profit	200,083	170,190
Less: Pref. divds.	147,408	147,408
Surplus	52,675	22,782
Earnings per Share and Dividend Record:		
Pref.: Earned	$4.07	$3.46
Paid	3.00	3.00
Common: Earned	0.87	0.53
None paid.		

CONDENSED BALANCE SHEET

As at May 31:	1949	1948
Cash	$3,455	$150,150
Accts. rec.	457	5,066
Investments*	3,788,327	3,621,177
Total assets	3,792,239	3,776,393
Accts., tax., etc., pay.	45,991	82,820
Funded debt	1,000,000	1,000,000
Capital stock	2,545,953	2,545,953
Revenue acct.	200,295	147,620
*Approx. mkt. value.	4,379,000	4,570,000

LEGARE CO. net profit for year ended March 31, 1949, was $274,185 compared with $132,503 for the six months ended March 31, 1948. A dividend of $2.00 per share has been declared payable Aug. 3, 1949, on account of arrears of dividends on the preferred stock. Arrears at March 31, 1949, amounted to $6.23 a share.

INCOME ACCOUNT

	12 mos. ended Mar. 31 1949	6 mos. ended Mar. 31 1948
Net earnings	$509,803	$298,748
Less: Deprec.	55,704	22,900
Int. & disc. (net)	......	51,114
Bond & mtge. int.	14,625	7,698
Income taxes	165,289	83,473
Net profit	274,185	132,503
Less: pref. divds.	44,433	59,244
Surplus for year	229,753	73,259
Times Bond Interest Earned‡:		
Before deprec.	34.88	32.17
After deprec.	30.37	29.06
‡After deducting interest and discounts.		
Earnings per Share and Dividend Record:		
Preferred	$9.26	$4.47
Paid	1.50	2.00
Common	22.98	8.81
None paid.		

CONDENSED BALANCE SHEET

As at March 31:	1949	1948
Cash & Dom. bds.	7,176	$24,656
Accts. rec.	2,475,903	1,811,024
Inventories	2,676,157	2,484,127
Total curr. assets	5,159,233	4,319,807
Prep. exp.	152,230	43,222
Misc. assets▲	805,357	900,582
Fixed assets*	823,784	794,455
Total assets	6,841,613	6,058,066
Bank loan	1,803,940	1,503,834
Accts. & tax. pay.	530,985	562,711
Woodhouse & Co.	1,270,104	1,027,898
Other curr. liab.	21,051	3,750
Total curr. liab.	3,626,080	3,098,193
Def. charges	254,973	164,284
Funded debt	982,400	968,000
Capital stock	800,550	800,550
Capital surplus	158,523	157,704
Earned surplus	1,099,087	869,835
*After depr. of	395,222	357,140
▲Incl. ref. EPT	......	50,516
Working capital	1,533,153	1,221,614

AMSHAW PORCUPINE MINES reports that by agreement with Vincent Beatty, the latter underwrote 300,000 shares payable by July 15, 1949, with an option on a further 700,000 shares at 7½c. to 20c. a share. Authorized capital of the company is five million shares, of which 2,066,671 are issued (1,500,000 escrowed). The issue was accepted for filing by the Ontario Securities Commission on June 30, 1949.

Jump in Prices Of Base Metals Helps Investors

Higher prices for base metals announced in the past week make the best news holders of Canadian base metal mining issues have had in some time.

After months of declining prices for copper, lead and zinc, prices of the first two of these have been marked up substantially and there are reports that zinc prices will also firm.

Copper is up in the course of a week from 16 to 17⅝ cents a pound, lead was up to 14c as against 12c lb. a week earlier. Zinc is holding at 9 cents.

Chances of base metals continuing around present levels—or doing even better—are thought to be quite good in metal circles. Buying of copper and lead at the higher prices has been quite substantial, suggesting that inventories of many fabricators have been pretty well used up. There has also been a large curtailment of production by U. S. copper, lead and zinc producers which is contributing to stability of the price structure.

Biltmore Hats Earnings Hold

Sales of Biltmore Hats, Ltd. for the six months to May 31, 1949, first half of the company's fiscal year, were slightly higher than for the same period last year. Net earnings remained at approximately last year's level.

From present indications it appears likely that business will continue at a satisfactory level for the balance of the current year, a company statement reports. Net profit for the year ended Nov. 30, 1948, was $87,542 ($142,862).

May Gain 7.3% In Bank Debits

Increases Shown For All Canada and Five Economic Areas

Canadians in May cashed cheques totaling $6,915, millions, about 7.3% over the same month in 1948. The increase reflects expansion in 35 of 43 economic factors involving cheque payments. Retail trade and merchandise exports rose 16.8% and 12% respectively. Steel production and building permits also were higher, while Dominion Government expenditures were more than 6% higher than in May 1948.

Weekly earnings in nine main industrial groups rose 12.3% over May, 1948, and May dividend payments were more than 6% greater.

Increases were shown in all five economic areas: Maritimes and Newfoundland 5.8%; Quebec 0.8%; Ontario 8%; Prairies 18.7% and British Columbia 3.6%.

The largest increase for any single clearing house centre was 44.4% at Regina; Lethbridge was up 40.6% higher with Brantford up 37.2%.

For the five months ending in May total cheques cashed (bank debits) were $33,954 millions, an increase of 7.6% over 1947, 76.3% over 1929, and 186.4% over 1938. Increases in the different areas were: Maritimes and Newfoundland 6.3%; Quebec 3.8%; Ontario 5.0%; Prairies 21.4% and British Columbia 8.2%.

May figures with comparisons follow.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS
(millions of $ in May)

Prov. and Clearing House Centres:	May 1949	Apr. 1949	May 1948
Maritimes & Nfld.:			
Halifax	86.7	88.4	115.3
Moncton	30.4	28.9	27.4
Saint John	41.4	37.9	40.3
St. John's	35.1	30.0	...
Total	193.6	185.2	183.0
Quebec:			
Montreal	1,683.2	1,677.1	1,659.6
Quebec	181.5	170.1	200.4
Sherbrooke	23.9	22.5	23.5
Total	1,888.6	1,869.7	1,883.5
Ontario:			
Brantford	44.7	37.8	32.6
Chatham	23.2	20.2	19.0
Fort William	20.1	17.1	17.0
Hamilton	184.6	175.1	161.4
Kingston	18.7	19.1	20.8
Kitchener	41.5	39.9	42.2
London	93.0	97.9	84.7
Ottawa	286.4	394.9	288.2
Peterborough	23.7	23.3	21.9
St. Catharines	31.8	32.2	29.4
Sarnia	24.9	24.1	22.5
Sudbury	22.5	21.5	19.1
Toronto	1,974.8	1,964.2	1,822.7
Windsor	117.2	125.5	111.1
Total	2,907.3	2,992.9	2,692.5
Prairies:			
Brandon	12.3	11.6	11.8
Calgary	187.0	202.2	145.8
Edmonton	153.2	152.7	121.9
Lethbridge	20.6	20.8	14.6
Medicine Hat	8.7	9.1	7.3
Moose Jaw	22.2	21.8	18.1
Prince Albert	9.9	11.4	9.2
Regina	116.0	126.8	80.3
Saskatoon	39.0	37.6	37.6
Winnipeg	730.9	958.9	664.8
Total	1,319.9	1,552.8	1,111.5
British Columbia:			
New W'minster	26.3	28.9	26.7
Vancouver	488.5	555.5	465.9
Victoria	80.4	84.7	82.3
Total	595.4	666.1	574.9
Total for Canada	6,914.9	7,266.8	6,445.5

Highlights of Truman's Message to U. S. Congress

President Truman has made it clear that he wants no part of a protectionist program for the United States, that he would like the Administration to restore a full-scale Reciprocal Trade Agreements Act; to maintain existing foreign-assistance programs; to expand both technical and capital assistance for the underdeveloped areas.

And he finds the economic prospects in United States reassuring, with no repetition of the black 30's around the corner.

These are the important points for Canada in the President's message to Congress this week in which he abandoned his oft-repeated demand for a $4 billion tax boost.

Here is a summary:

On foreign economic policy:

If a severe shrinkage in the flow of dollars abroad occurred it would not only reduce our exports now, but would also force other countries to save dollars by making discriminatory trading arrangements that would adversely affect the long-run future of our foreign trade.

It is especially important, therefore, for us to continue to help rebuild a strong and advancing world economy based upon an effective network of world trade and the growing productive strength of free nations.

In addition to maintaining our foreign-assistance programs, and restoring a full-scale Reciprocal Trade Agreements Act, I urge the Congress to enact the legislation I have recently recommended to expand both technical and capital assistance for the economic growth of underdeveloped areas.

The expansion of foreign investment, by making more dollars available directly to the underdeveloped countries and indirectly to the capital goods-exporting countries of Europe, will improve the rest of the world's ability to buy from us.

The expansion of technical assistance will stimulate foreign investment by assisting countries that want capital for development to translate their aspirations into concrete projects, by creating new productive investment opportunities, and by increasing the private investor's knowledge of those that already exist.

Ex-Im Bank Expansion

Both under its existing authority and under the new legislation I have proposed, the Export-Import Bank will be expanding its operations and substantially contributing to these objectives.

These actions are called for by both our foreign policy and our domestic economic policy. They will be supplemented by the strong support of the United States for an expansion in the development activities of the International Bank for Reconstruction and Development.

There is danger that a further reduction of economic activity may give rise to pressure to restrain imports, in an attempt to divert to United States markets part of the small fraction of total demand now directed toward foreign goods. It should be recognized that diversion is a poor substitute for expansion of total demand.

Protectionist measures would not merely shift the problem of inadequate markets to other countries but would also, with the present dollar stringency, promptly reduce our own exports. Such measures would, therefore, not have a stimulating effect on the domestic economy, even in the short run.

On the domestic economy:

The United States' economy is the strongest and most productive the world has ever known. We can achieve within a few years a national output well over $300 billions (a fifth higher than the present rate).

The 1949 decline has been moderate, and the opportunity is now ours to reverse the trend and achieve maximum production and consumption of goods and services without the evils of inflation.

The adjustment process has been rendered less difficult by the prudent actions of many groups and individuals in our business system.

Many far-seeing business men made sincere efforts to avoid or mimimize price increases during inflation, and in recent months have reduced their prices and have sought valiantly to maintain production and employment.

Many labor unions have used their collective strength with moderation and with consideration for the interests of the whole economy.

All groups in the nation have gained an improved understanding of economic problems since the 1920's, and their actions reflect this fact.

Warns on False Security

We should not, however, be lulled into a false sense of security by these favorable aspects of the situation. Many of the price adjustments that have taken place have been healthy, and afford ground for expectation that our economy will work its way successfully through a difficult period of transition.

But there is nothing healthy about more unemployment or less production. Such trends can and must be reversed by positive action, private and public.

The way to check a decline in business investment or production is to take affirmative action that will lead to more investment and more production.

The way to check an increase in unemployment is to take affirmative action that will provide more jobs.

The way to prevent our economy from shrinking is to take affirmative action that will help it to expand.

These things cannot be done by business, labor, agriculture or government acting alone. They can only be done by all of us working together in mutual respect and with common objectives.

Here's a summary of what the President recommended to Congress:

1. Repeal the tax on the transportation of goods, liberalize the provisions for carryover of losses by corporations, and raise estate and gift taxes. No major increase in taxes.
2. Extend the maximum time limit now fixed by law on the maturity of loans to business made by the Reconstruction Finance Corporation.
3. Provide for a broad study of investment and development needs and market opportunities in an expanding economy.
4. Adopt an improved program of farm income supports.
5. Increase the minimum wage to at least 75 cents an hour and broaden its coverage.
6. Strengthen the unemployment compensation system by increasing the amount and duration of benefits and extending coverage.
7. Extend to July 25, 1950, the availability of readjustment allowances for veterans not protected by the state unemployment compensation laws.
8. Raise benefits and extend coverage under the old-age and survivors insurance system and improve the public assistance program.
9. Enact legislation to permit Federal agencies, and assist states and localities, to intensify their advance planning and to acquire sites for useful projects.
10. Enact legislation to provide technical assistance to underdeveloped areas abroad and to encourage investment in such areas.
11. Restore the Reciprocal Trade Agreements Act.

D. & C. Tunnel Profit Off 5%

Although gross revenue of Detroit & Canada Tunnel Corp. was up 4.6% in six months period ended April 30, 1949, net profit at $197,217 eased 5.8% from corresponding period of last year. Expenses reflect the current trend of rising cost of many items, including property taxes, labor and maintenance costs, a company statement reports.

Revenue from vehicular traffic for the first six months of the 1949 fiscal year shows an increase of approximately 12% but bus passenger revenue decreased around 7% for same period. On April 1, 1949, the corporation retired $180,000 of its first mortgage bonds which reduced outstanding funded debt to $210,000 and there are no bank or other loans outstanding.

As at April 30, 1949, cash and investments in Dominion of Canada Government bonds amounted to $1,298,055. Current liabilities at same date amounted to $350,027, leaving net current cash and investments of $948,028. These funds are transferable out of Canada only by permission of the Foreign Exchange Control Board of Canada.

56,534 Units Made By Ford In First Half

Ford Motor Co. of Canada reached its highest half year production since 1926 with output of 56,534 passenger cars and trucks in the first half of 1949. This substantially exceeded either half of 1947, the year in which the company hit a peacetime production peak of 101,185 units.

In the six months to June 30 this year, the company also shipped more cars and trucks to the domestic market than in any similar period previously, 47,000 units, topping by more than 4,000 the previous high, established in 1926. June production totaled 10,704 units, including 5,983 passenger cars and 3,076 trucks for the Canadian market. Balance consisted of 539 cars and 1,056 trucks for export.

The company led the Canadian automobile industry both in total production and in units shipped to the domestic market thus far in 1949, company officials stated.

Grain Prices

Winnipeg Grain Futures

Week to July 11, 1949

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close July 11
		Oats			
.80	.66¼	July	.80	.75	.80
.79	.62⅛	Oct.	.75⅞	.72	.75¾
.72¼	.64¼	Dec.	.72½	.69½	.72
		Barley			
1.25	.96	July	1.25	1.18½	1.25
1.15⅞	.93	Oct.	1.15⅛	1.10¼	1.15¾
1.10	.97	Dec.	1.10	1.05⅝	1.10
		Rye			
1.72	1.05¾	July	1.38⅛	1.31¼	1.38⅛
1.55½	1.05	Oct.	1.39⅞	1.32⅝	1.39¾
1.41⅝	1.24⅛	Dec.	1.41⅝	1.33⅛	1.41⅝
		Flax			
4.12	3.98	July	4.00	4.00	4.00

Cash Quotations

	For Week July 11 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.80	.77¼	.77⅝	.76¼
3 C. W.	.77⅛	.74¼	.75⅛	.74¾
Barley				
1 Feed	1.21	1.17⅝	1.18¼	1.15⅜
2 Feed	1.20⅜	1.17⅝	1.17⅝	1.15¼
Rye				
2 C. W.	1.38⅛	1.33⅛	[illegible]	1.29½
Flax				
1 C. W.	4.00	4.00	4.00	4.00

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How to Retire — and Enjoy It

III—Look to Your Savings Plan, Money Management

The modern plan for establishing satisfactory retirement income has three "musts."

1. You must save money systematically and increase your savings in proportion to enlargement of salary. The younger you are when you begin, the better.

2. You must place your retirement money where it is surrounded by maximum safeguards. Your money put into a group pension or private annuity or other contract with a private insurance company is as safe as the Government. Pension plans administered by trust companies and life-insurance companies are equally sure.

6. At retirement your assets must be intact, including any accumulated interest. Since few of us can amass enough capital to live on investments in stocks and bonds, some mode of distributing both capital and interest over the years must be possible.

After the "musts" in saving have been observed improve your money management. If you're still some years this side of retirement, better money management may increase your savings substantially. When you retire, that same good skill will be a continuing source of comfort and peace of mind.

Nine out of every 10 families waste 10% or more of their income through careless and inefficient management. Few of us do as much as we might to correct our own little extravagances.

We smile tolerantly at the Smiths next door, who are often up against it. Last year this family of four wasted $100 on clothing. Mrs. Smith paid $150 more for food than she needed to, even for nice meals and good nutrition. Careless driving and poor maintenance of the family car wasted another $75 or more. Leaving the windows open and failing to regulate the thermostat added at least $60 to their heating bills in a single winter.

Well, what of it? Merely this: Smith is 45 and works for a company which retires its workers at 65. Multiply 20 years by $400 and you get $8,000. That isn't a fortune, but it would make a nice addition to retirement assets.

Here are some principles of good management which can save many dollars a year if you practice them in full.

1. Put real needs first. "What is the least I can do with?" sounds grim but it isn't when you remember the "sleepers" you buy impulsively—hats you don't really like, chairs that no one finds comfortable, gadgets that are soon thrown away because they aren't used.

2. Follow Directions: Millions of dollars worth of household equipment and other mechanical devices are prematurely worn out every year through failure to clean, oil, and take proper care of them. When did you last read the instruction book which came with your electric razor, your vacuum cleaner, your refrigerator?

How are you planning to save up for those "rainy days" after 65?

3. Make Use of Good Advice. Clothier, butcher, druggist, and others can give you money-saving advice if you'll let them. Why brush off the merchant who tries to explain which of two similar articles will give you better service for your money?

4. What's the Economic Price? You know that cheap shoes and cheap furniture may be more expensive in the long run than shoes and furniture which cost twice as much. Two rugs may look equally good. Although one costs 10% more than the other you buy it because you learn that its deeper pile and better wool will make it wear 50% longer. Mere cheapness isn't economy.

What are your plans for establishing a satisfactory retirement income? What are you doing to improve your money management? How much money are you wasting now that you'll find useful later on?

These are the questions Ray Giles discusses in this, the third installment of The Post's eight-part condensation of his book, "How To Retire—and Enjoy It."

5. Improve Your Repair and Salvage Facilities. Any junkman can tell of electric toasters thrown away when simple repairs would have made them good again and of garments sold as rags when they could have been worn another season if a broken zipper had been replaced with a new one.

6. Quantity Savings. Buying six or 12 identical pairs of stockings at one time allows you to mate up the good one when the others begin to wear out. Foods bought in case lots can save money.

In caring for your home, certain points deserve emphasis.

7. Cut Heating Bills by insulating the attic yourself. That is the most important part of the job, anyway, and where most of the saving comes from. Pull down shades at night, shut off fireplace flues, avoid opening doors and windows more than necessary and if you have an attached garage, don't leave the doors open all day long when the car is away. Depending on how many of these practices you follow, you can save up to $50 a year on heating bills.

8. Improve Your Home Maintenance by learning to mend plaster cracks, restore furniture, paint, and even paper. Domestic self-reliance begins when you don't have to call in professional help for the little jobs you ought to be able to do yourself.

9. Cut insurance bills by paying yearly premiums on your life insurance instead of having premiums due semiannually, quarterly, or monthly. Fire insurance taken for three or five years at a time costs less annually than the same policy renewed year by year. Subscribing to your favorite magazines for two, three, or five years will reduce the cost per copy very substantially.

10. Reduce Automobile Expense. If you're a fast driver merely lowering your average speed a few miles an hour may save you a lot of money by prolonging the life of your tires and your car. Gasoline consumption will also drop. Careless lubrication and tire inflation are extravagant.

11. Entertain with Imagination. It isn't necessarily the most lavish parties which are the best remembered but rather those which are spiced with imagination in food served and entertainment. If you're in an expensive rut with your own entertaining look into new meals, new things to do.

(How To Retire And Enjoy It. By Ray Giles. Copyright, 1949, McGraw-Hill Co. of Canada Ltd.)

Can Textile Men Hold Wartime Gains?

(Continued from page 17)

product. Supply is expected to be adequate to meet presently known demand. Nylon prices are likely to follow the general price trend.

Normal Competitive Position

This brief glance at the textile market indicates that generally normal competitive conditions prevail, along with the problems which competition brings. As indicated above practically all parts of the industry are giving close attention to imports.

In the cotton and rayon divisions the big threat is United States; in wool it is United Kingdom. It is held, however, that British cotton producers could also lay down cotton fabrics in Canada at much lower prices than at present if their sterling markets should show signs of weakening.

Since July 1 cotton manufacturers have been watching closely for any effect the Geneva tariffs will have on U.S. cotton imports. They are hoping that the duties will at least help to keep distress merchandise off the Canadian market.

The average increase on present U.S. and U.K. prices under the Geneva tariffs will be 15 to 17%. At present prices that will raise the U.S. goods in Canada to about the Canadian level will widen the difference between Canadian and higher-priced U.K. goods.

This problem of competition from imported textiles is itself a sign that things are back to "normal." Tariff protection has been a perennial favorite as a topic of conversation.

Consumers are sometimes wary when the subject of tariffs comes up fearing that they will be gouged to keep someone else in business. On its wartime and postwar record it would seem that Canadian consumers have little to fear from the textile industry.

The Royal Commission on Prices had good words for the textile industry. Here are some extracts from the Commission Report:

"On the whole, price increases had not been unreasonably out of line with increased costs."

"Prices in most cases were well below the cost of laying down comparable U.S. fabrics in Canada. The spread between domestic mill prices and the landed cost of U.K. materials was even more marked."

"In the period under review, full advantage of protection (tariff) to raise prices has stopped short of the point where buyer resistance might make itself felt."

Whether or not competition in the days ahead will force the industry to press for more protection remains to be seen. If so it would appear that the cotton division would be the logical one to push its claims first. Canada's cotton producers are dependent on outside sources for their raw material; thus one of their basic costs is uncontrollable. In addition, the climate of the country permits only a short season for cotton outerwear at which time it must compete against the synthetics.

Two competitive factors are common to the entire industry:

(a) diversified production with short runs and

(b) wage levels which are among the highest in the world.

Both of these are problems which a large part of Canadian industry must tackle.

As applied to textiles the fact that the industry has been built primarily to meet only the domestic market demand means that much of the industry could not survive reciprocal trading with United States, unless it had considerable time to prepare for it. The textile industry is one which would be badly disrupted by any sudden decision in favor of economic union with United States or reciprocal trade agreement.

Improving Efficiency

Under present conditions the textile industry is meeting outside competition by improving efficiency, matching quality for quality. (It appears unlikely that Canadian producers will be able to provide the extensive range of fabrics which garment manufacturers would like to see, due to the limited Canadian market).

In the case of rayon there is a distinct possibility that Canada could become an important exporter in this material. Woodpulp, an important raw material in rayon production, is available in large quantities and the technological position of the Canadian rayon industry is said equal to any. Canadian producers are likely to take advantage of any improvement in the international exchange situation to get their product into the export markets.

Since the war the textile industry has made a determined effort to improve its competitive position by increasing efficiency. According to Trade & Commerce Dept. figures the industry spent $147.3 millions in 1947-48-49, on new equipment and buildings. Of the total, $32.5 millions went for construction and $114.8 millions on new machinery, equipment, repairs and maintenance. About one half of this total expenditure was made by woolen and cotton mills, approximately 30% by rayon and nylon and the balance for miscellaneous such as printing, finishing, hosiery, etc.

A proportion of capital expenditures has been made for new plants. Practically all the larger mills in the various textile divisions have undertaken extensive re-equipment and expansion programs which comprise either new mills or additions. Among the more recent newcomers to the Canadian industry are Hollands (Canada) in Smiths Falls, Doric Textiles at St. Johns, Que., Pik Mills Ltd. and Wolsey (Canada) both at Quebec.

Good machines will not of themselves result in the efficiency which the textile industry is looking for unless the workers keep pace. In an attempt to improve the quality and performance of the worker the industry is supporting textile technical schools in Quebec and Ontario.

Subjects taught include cotton manufacturing, wool manufacturing, textiles design, chemistry and dyeing, knitting, weaving, textile mathematics, etc.

If textile management continues to put its influence and money behind these schools it is believed that the quality of work and worker will improve. With such schools available mills can send likely-looking employees to attend the courses. In addition new workers can be funneled through the school thus improving the over-all standard of mill labor.

The object of such an educational program would be twofold:

(1) to raise the status of the worker in his own mind.

(2) increase productivity.

In most cases it is accepted that if the first objective were achieved it would result in increased productivity.

And in the last analysis production is the cornerstone to continued prosperity in the textile industry.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

YUKON CONSOLIDATED GOLD CORP. in its 1948 annual report shows highest production since 1942 but experienced a loss of $17,582 before inclusion of $200,000 of cost-aid in revenues. Net profit after all charges, including depreciation at only half rates on assets not operated, amounted to $182,418, against a loss of $223,628 for 1947.

With all dredges operating, President C. Goldthorp Hay expects 1949 will show higher output and that a further payment will be receivable under the Emergency Gold Mining Assistance Act. All but one dredge operated in 1948 with 7,146,666 cubic yards of gravel handled at a cost of 18.97 cents a yard. Recovery averaged 23.18 cents a yard and cost of producing a fine ounce of gold is reported at $38.85.

Gravel reserves at the end of 1948 totalled 121,365,472 cubic yards with an average value of 35.3 cents a yard. Figures include 3,500,000 yards averaging only 10.4 cents a yard on the Klondyke River but exclude 30,942,863 cubic yards of partially proved gravel to be worked by Dredge No. 4.

INCOME ACCOUNT

Years Ended Dec. 31	1948	1947
Production	$1,675,751	$1,329,155
Other income	32,924	32,141
Less: Oper. exp.	1,424,849	1,221,001
Oper profit	283,826	140,295
Add: Invest. inc.	8,413	10,817
Est. Cost Aid	200,000	......
Less: Gen. exp.	57,528	56,266
Net earnings	434,711	94,846
Less: Depr.	249,997	246,895
Expl. w/o	2,296	71,579
Net profit & surp.	182,418	*223,628

*Net loss and deficit.

Earned per Share	$0.031	d$0.038

None paid.

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$249,942	$54,028
Dom. bds.	......	327,096
Accts. rec. ‡	76,008	102,272
Est. Cost aid	200,000	......
Inventories	829,884	656,354
Total curr. assets	1,355,834	1,139,750
Dev. exp.	1,868,653	1,714,774
Misc. assets	39,689	29,207
Properties	2,202,640	2,202,640
Equipment*	1,870,437	1,971,128
Total assets	7,337,253	7,067,497
Total curr. liabs	2,757	2,468
Invent. res.	22,731	22,731
Other res.	45,175	46,791
Capital stock	5,951,490	5,949,874
Earned surplus	1,315,100	1,045,635
*After depr. of	5,099,394	4,853,664
‡Incl. ref. EPT	......	26,072
Working capital	1,353,077	1,137,284

INTERCITY BAKING CO. old $100 par common shares have been removed from the list on the Montreal Curb Market as each of these shares is being exchanged for five new no par value shares. Total of 105,725 new shares admitted to trading July 7.

McDOUGALL-SEGUR EXPLORATION CO. reports a decline in net profit to $1,180 in the year ended March 31, 1949, against $10,300 the previous year; and a drop in working capital of almost $35,000 to $16,786. However, during the year, a third interest was taken in the McConset Leduc Syndicate which brought in a D3 producer on a 160-acre tract at Leduc after drilling a failure on another tract. A follow-up well is planned.

A special meeting of shareholders has been called for July 26, 1949, to secure shareholders' approval for an increase in authorized capital from three to five million shares.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Royalty rev.	$1,417	$2,540
Divids. rec.'d.	4,400	11,482
Other rev.	1,066	1,134
Less: production	......	688
Total net rev.	6,883	14,468
Less: Gen. exps.	4,848	3,790
Lease rentals	837	360
Deprec.	18	18
Net prof. & surp.	1,180	10,300
Earned per Share	$0.0004	$0.0036

None paid.

CONDENSED BALANCE SHEET

As at Mar. 31:	1949	1948
Cash & govt. bds.	$17,066	$49,004
Accts., etc., rec.	347	2,837
Total curr. assets	17,413	51,841
Def. & prep. chgs.	40	66
Invests. at cost	140,109	174,280
Develop. acct.	76,735	19,735
Leases	101,057	100,257
Wells	......	1
Plant & equip.	5,006	10,432
Total assets	340,360	356,612
Accts., etc., pay.	90	121
Taxes pay.	23	33
Dvds. unclaimed	514	514
Total curr. liab.	627	668
Bal. due on lease	4,960	4,960
Invest. res.	......	30,000
Capital stock	286,859	286,859
Surplus	47,914	34,125
Working capital	16,786	51,173

VICEROY MANUFACTURING CO. net profit for year ended Feb. 28, 1949, amounted to $146,235, up 10.5% from previous year's $132,368. Sale of the roofing division located at London, Ont., added $112,761 to earned surplus and permits the full concentration of head office personnel on the rubber and engineering divisions of the company, states President D. Lorne Pratt.

INCOME ACCOUNT

Years Ended:	Feb. 28 1949	Feb. 29 1948
Net earnings	$313,539	$256,868
Less: Deprec.	65,569	51,099
Bond interest	18,097	19,549
Inc. tax res.	85,939	60,090
Add: Asset sale	2,301	6,238
Net profit	146,235	132,368
Less: Common divd.	60,278	46,095
Surplus for year	85,957	86,273
Times Bond Interest Earned:		
Before deprec.	17.33	13.14
After deprec.	13.70	10.53
Earnings per Share and Dividend Record:		
Common	$1.24	$1.12
Paid	0.48	0.36

CONDENSED BALANCE SHEET

As at:	Feb. 28 1949	Feb. 29 1948
Cash & govt. bonds	$344,500	$136,416
Accts. rec.	248,705	281,800
Life insur. c.s.v.	14,402	13,057
Inventories	561,742	568,053
Total curr. assets	1,169,349	999,326
Misc. assets▲	76,872	22,538
Fixed assets*	541,965	625,780
Total assets	1,788,186	1,647,644
Accts., etc., pay.	181,657	220,356
Res. for taxes	77,832	56,523
Total curr. liab.	259,489	276,879
Funded debt	546,000	587,000
Reserves	683	468
Capital stock	138,700	138,700
Distrib. surplus	92,194	92,194
Earned surplus▲	751,120	552,403
▲Incl. refund. EPT	7,740	7,740
*After depr. of	1,183,688	1,143,968
Working capital	909,860	722,447

BUFFALO CANADIAN GOLD MINES July 16 installment of 150,000 shares at 12½ cents a share and each subsequent installment under agreement with Garfield Trading Co. have been extended for three months.

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Hell's Gate Fishways tested: The salmon fishing season which opens July 25 will provide first big test of the $2,000,000 fish ladders at Hell's Gate in the Fraser Canyon. 1945 saw a fairly good run up the Fraser to the Chilco Lake area, and the fish spawned that year are due to return this year after their four-year spell out at sea. This year's run up the Fraser will show how effective the expensive fishways are.

• • •

Alberta

Reservists in camp: Largest reserve camp ever held in western Canada is drawing near an end at Wainwright. All corps and services were represented except the engineers and the artillery, who are camping at Chilliwack, B.C. and Shilo, Man. Training was under command of Major-General Penhale, G.O.C. Western Command. Instruction was given by active service officers and NCO's and was designed to complete home armory training for all corps.

University dismissal: Controversy now raging in the United States about "loyalty tests" for teachers is reflected at the University of Alberta where the head of the department of biochemistry, Dr. George Hunter, has been dismissed. Dr. Hunter declares the whole principle of academic freedom is at stake, says he has not been propagating political views in his classes. University President, Dr. Robert Newton says dismissal is not on account of Professor Hunter's views, but because he had been disseminating them in class. He says students had repeatedly complained. Dr. Hunter was chairman of the Edmonton Peace Council.

• • •

Saskatchewan

Beating the 'hoppers: While Nevada was covered by horde of grasshoppers, Saskatchewan farmers congratulated themselves that their control measures were paying off: 1,600 carloads of sawdust and 55,000 gallons of chlordane had been spread over acres of farm lands. This bait kills the 'hoppers within 24 hours. Infestation this year has been the worst since 1934, and although it has affected two-thirds of the area of farmland losses have been kept low.

Teachers' long trek: 30 school teachers from the province are spending two months this summer touring western Canada and the United States. They travel in a huge trailer which provides sleeping quarters and cooking facilities. The whole tour costs each passenger about $3.50 a day inclusive.

• • •

Manitoba

Up-to-date firefighting: Experiments in parachuting firefighting equipment to ground crews, recently completed by the provincial air services from their headquarters at Lac du Bonnet, have perfected new methods of supplying ground crews. The new method will soon be adopted throughout the province and is expected to streamline present methods of dealing with forest fires. Special teams have been trained, each consisting of a pilot and two forestry men. The dropping of equipment will enable the provincial firefighters to reach forest fires located at a distance from lakes and rivers which would provide the only landing grounds for aircraft.

Wasp vs. Sawfly: European larch sawflies are doing serious damage to the province's stands of tamarack. The infestation started in 1940 and has spread beyond the borders of the province into Saskatchewan. To combat it, the Government is importing 10,000 wasps of a special parasitic variety. This kind of wasp lays its eggs in the larva of the sawfly and squeezes the sawfly to death. Results will not show for three or four years. Similar measures were taken to beat the sawfly in 1912, and by 1922 the sawfly had been eliminated.

• • •

Ontario

Drought ended: A real soaker hit southwestern Ontario just in time to prevent disastrous losses from drought. It saved the corn-crop, and gave a chance to the tobacco crop; but for some fruit growers it came too late. As much as 1.66 inches fell in one wonderful Saturday in Toronto: this was 27 times as much as the whole of June had produced. It was too late to save all the crops, but a lifesaver for others.

No poppies: 15 acres of poppies fell victim to a slashing attack by policemen armed with scythes and less lethal weapons in the western part of the province. The poppies were of the oriental variety and the growers are liable to a fine of $1,000 or a year in jail. Nearly all the growers came from central Europe where the poppy seeds are used in flavoring. But their growth is illegal in Canada, because they can be used to produce opium.

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Quebec

Big medical centre proposed: The Joint Medical Committee of Montreal, (Chairman, Dr. F. Cyril James) advocates a huge new medical building to be situated between Pine Avenue and Cote des Neiges and to make Montreal the medical centre of eastern Canada. Scheme would provide 500 new beds and accommodation for 300 nurses. The Committee reported that all three of the teaching hospitals associated with McGill are overloaded and says that their separate development should be co-ordinated. The new site, it is suggested, should provide a new General Hospital in place of the present one, which is "outworn." The Children's Memorial Hospital and the Royal Victoria Hospital should be reconstructed on their present sites.

• • •

New Brunswick

Too late for potatoes: Reopening of the United States market for Canadian potatoes came too late to take much of the New Brunswick crop. This year's potatoes deteriorated faster than usual because of the hot weather, and while the U. S. decision will alleviate the situation, a large movement of potatoes is not expected from the province.

Study food values: A Dominion health grant of $7,500 will finance a study of the nutritional value of some of the province's products, notably potatoes, carrots, apples and oats. Work will be conducted by the University of New Brunswick under the direction of Dr. C. A. Argue, head of the department of biology, and Dr. W. A. Andreae, research fellow in biology.

• • •

Nova Scotia

Outer Baldonia, new kingdom: In the midst of its centenary celebrations, Halifax took time out to smile at the gagging of a rich American with an interest in the famous tuna fishing waters off the Nova Scotia coast. In the group of tiny Tusket islands, in the fishing grounds, the American sportsman announced that he had taken over one small rock and called it the "kingdom of Outer Baldonia." After purchasing the half-mile of rock and gravel, the sportsman wrote to the Tuna Club of Wedgeport, N.S. offering princedoms and admiralties. He promised that the new territory would recognize the laws of Nova Scotia. Explained a blushing provincial official: "It's just a gag."

• • •

Prince Edward Is.

New Fish Market: A new market for fish caught off Prince Edward Island is seen following negotiations between the Department of Industry and Resources and a Newfoundland fish meal plant operator of Corner Brook. The plant picks up the fish by vessel from Newfoundland coastal villages for processing into fish meal; also into liquid form for the U. S. market, to be used for making animal foods. The operator is interested in buying Island-caught mackerel, herring, and hake.

Good strawberry crop: After a shaky start, the strawberry season on the Island seems to be in full swing. With a plentiful supply, retail prices went as low as 19c, which growers claim is below production cost. A number of air express shipments to Boston and Montreal have relieved the situation, and now the price is stable around 25c.

Newfoundland

Fisheries reassured: Newfoundland fishermen, worried over attempts of the U. S. industry to curb fish imports into the U. S., were reassured by a statement from the State Department stating that there was no need to limit imports at present. The report said that there was "a vigorous and apparently expanding demand" for groundfish fillets. The U. S. fish industry is however persisting in its demand for a quota on imports of this kind of fish product.

Dangerous fires controlled: Two forest fires that seriously threatened the town of Buchans were checked by a lucky west wind. Volunteer firefighters spent days trying to check the blaze with bulldozers and other equipment.

Mutual's Ottawa Branch Wins Efficiency Award

Ottawa branch of the Mutual Life Assurance Co. of Canada, has been awarded the Directors' Efficiency Cup for its achievements in 1948. The cup is competed for annually by the company's 57 branches in Canada. W. Lloyd Mooney is manager of the Ottawa branch, and is the third generation of his family to serve as manager of the Mutual Life's Ottawa branch.

Factors considered in making the award include: the quality of new insurance sold; increase in the amount of insurance in force; agency growth and general efficiency.

The Brantford agency managed by G. C. Francis was runner-up and received a replica of the cup.

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INCOME TAX

Wife Dies

What is the income tax status of a man whose wife dies during the calendar year? Is he considered a married or single man?

He can claim married status for the full year.

Gives Wife Gift

If I give my wife a gift of $1,000 out of my income, can I deduct this when computing my income tax and still retain my married status?

Such a gift does not affect your married status at all. But you cannot deduct it from your income for tax purposes. It is still considered part of your income and if your wife invests it, revenue from it must be included with your income when computing your tax.

INVESTMENTS

Royalite Oil

A friend tells me that Royalite Oil Co. is paying a dividend of $1.00 a share per annum and that it looks like a "buy" at the present price around $6.50 a share. What are your comments?

Royalite Oil Co. shares were split last February on the basis of four new shares for each old share held and the new stock has since been placed on a dividend basis of 25c. a share rather than the $1.00 a share applicable to the old stock mentioned in your letter.

Earnings on the new stock are currently running at 50c. a share per annum—about the same level as last year—but the long term of prospects of the company have been greatly improved as outlined in an article in The Financial Post on June 25, 1949. We suggest you study the article there which was given by a Royalite official, for the latest developments in the company's position.

PHARICK GOLD MINES was granted a security issuer's license on June 23, 1949, with 75% of proceeds of sales to go to company's treasury. Authorized capital of the company is three million shares of which 693,283 are outstanding.

McLELLAN GOLD MINES June 18 installment of 100,000 shares at 10 cents a share under agreement with John Tovell has not been exercised and balance of agreement has been terminated.

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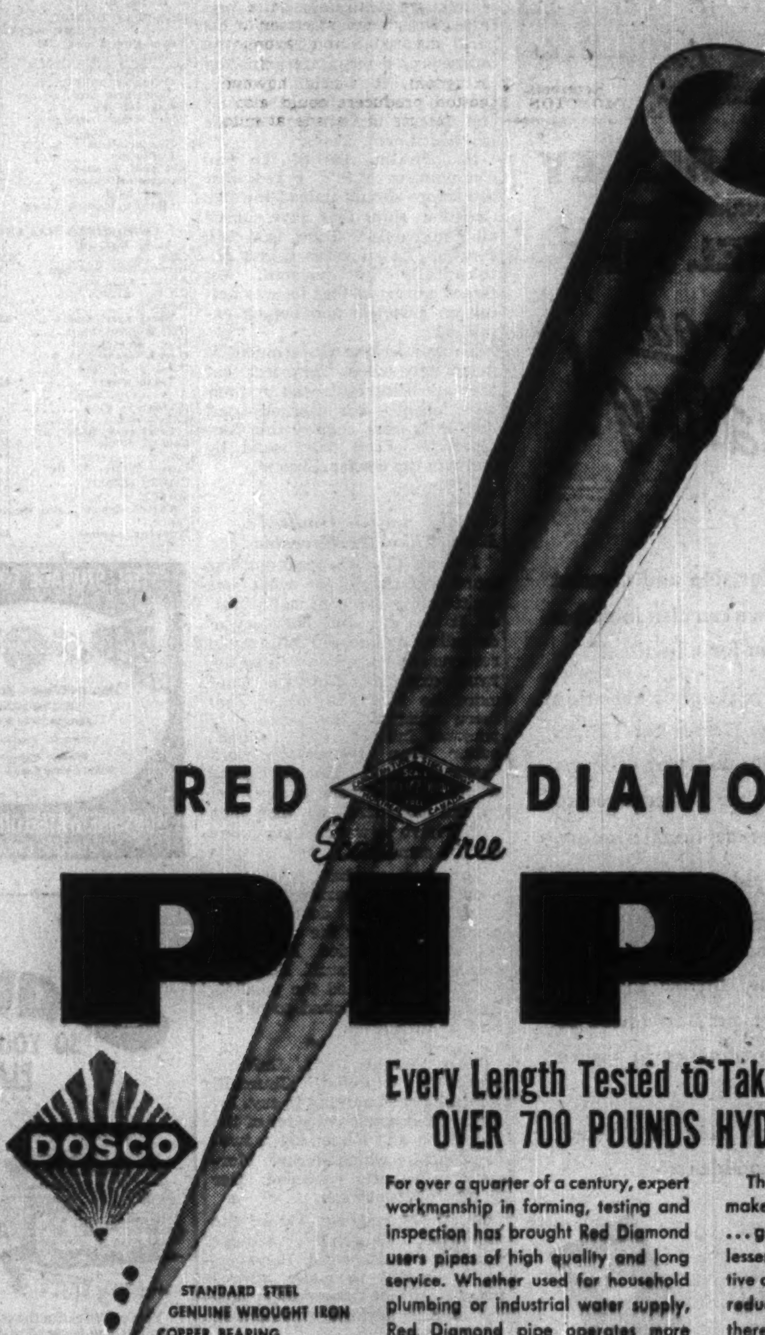

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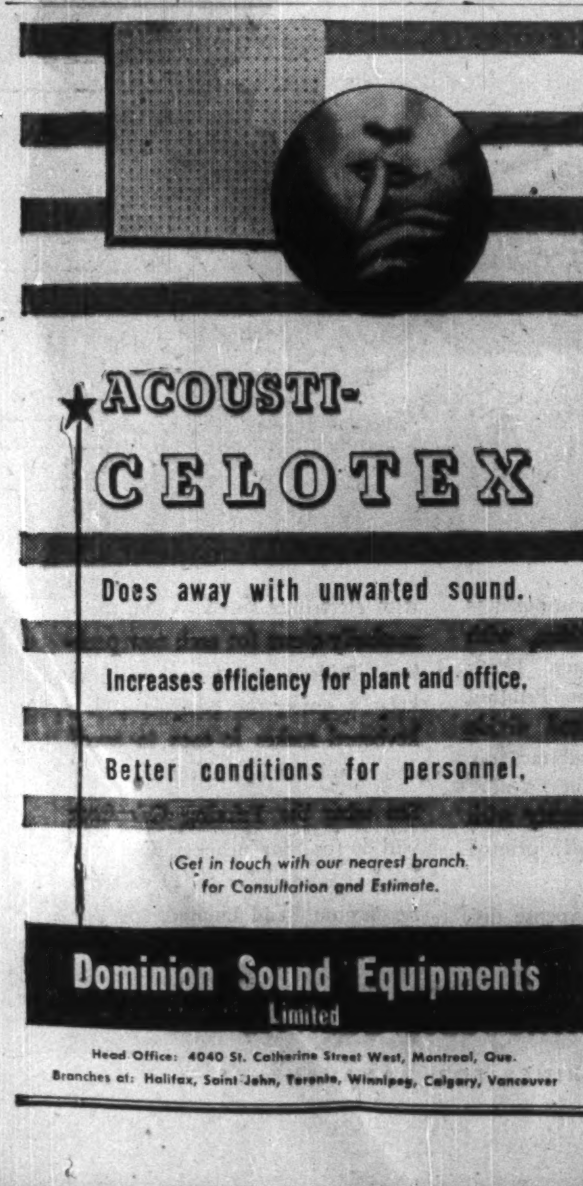

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Hell's Gate Fishways tested: The salmon fishing season which opens July 25 will provide first big test of the $2,000,000 fish ladders at Hell's Gate in the Fraser Canyon. 1945 saw a fairly good run up the Fraser to the Chilco Lake area, and the fish spawned that year are due to return this year after their four-year spell out at sea. This year's run up the Fraser will show how effective the expensive fishways are.

• • •

Alberta

Reservists in camp: Largest reserve camp ever held in western Canada is drawing near an end at Wainwright. All corps and services were represented except the engineers and the artillery, who are camping at Chilliwack, B.C. and Shilo, Man. Training was under command of Major-General Penhale, G.O.C. Western Command. Instruction was given by active service officers and NCO's and was designed to complete home armory training for all corps.

University dismissal: Controversy now raging in the United States about "loyalty tests" for teachers is reflected at the University of Alberta where the head of the department of biochemistry, Dr. George Hunter, has been dismissed. Dr. Hunter declares the whole principle of academic freedom is at stake, says he has not been propagating political views in his classes. University President, Dr. Robert Newton says dismissal is not on account of Professor Hunter's views, but because he had been disseminating them in class. He says students had repeatedly complained. Dr. Hunter was chairman of the Edmonton Peace Council.

• • •

Saskatchewan

Beating the 'hoppers: While Nevada was covered by horde of grasshoppers, Saskatchewan farmers congratulated themselves that their control measures were paying off: 1,600 carloads of sawdust and 55,000 gallons of chlordane had been spread over acres of farm lands. This bait kills the 'hoppers within 24 hours. Infestation this year has been the worst since 1934, and although it has affected two-thirds of the area of farmland losses have been kept low.

Teachers' long trek: 30 school teachers from the province are spending two months this summer touring western Canada and the United States. They travel in a huge trailer which provides sleeping quarters and cooking facilities. The whole tour costs each passenger about $3.50 a day inclusive.

• • •

Manitoba

Up-to-date firefighting: Experiments in parachuting firefighting equipment to ground crews, recently completed by the provincial air services from their headquarters at Lac du Bonnet, have perfected new methods of supplying ground crews. The new method will soon be adopted throughout the province and is expected to streamline present methods of dealing with forest fires. Special teams have been trained, each consisting of a pilot and two forestry men. The dropping of equipment will enable the provincial firefighters to reach forest fires located at a distance from lakes and rivers which would provide the only landing grounds for aircraft.

Wasp vs. Sawfly: European larch sawflies are doing serious damage to the province's stands of tamarack. The infestation started in 1940 and has spread beyond the borders of the province into Saskatchewan. To combat it, the Government is importing 10,000 wasps of a special parasitic variety. This kind of wasp lays its eggs in the larva of the sawfly and squeezes the sawfly to death. Results will not show for three or four years. Similar measures were taken to beat the sawfly in 1912, and by 1932 the sawfly had been eliminated.

• • •

Ontario

Drought ended: A real soaker hit southwestern Ontario just in time to prevent disastrous losses from drought. It saved the corn crop, and gave a chance to the tobacco crop; but for some fruit growers it came too late. As much as 1.66 inches fell in one wonderful Saturday in Toronto: this was 27 times as much as the whole of June had produced. It was too late to save all the crops, but a lifesaver for others.

No poppies: 15 acres of poppies fell victim to a slashing attack by policemen armed with scythes and less lethal weapons in the western part of the province. The poppies were of the oriental variety and the growers are liable to a fine of $1,000 or a year in jail. Nearly all the growers came from central Europe where the poppy seeds are used in flavoring. But their growth is illegal in Canada, because they can be used to produce opium.

• • •

Quebec

Big medical centre proposed: The Joint Medical Committee of Montreal, (Chairman, Dr. F. Cyril James) advocates a huge new medical building to be situated between Pine Avenue and Cotes des Neiges and to make Montreal the medical centre of eastern Canada. Scheme would provide 500 new beds and accommodation for 300 nurses. The Committee reported that all three of the teaching hospitals associated with McGill are overloaded and says that their separate development should be co-ordinated. The new site, it is suggested, should provide a new General Hospital in place of the present one, which is "outworn." The Children's Memorial Hospital and the Royal Victoria Hospital should be reconstructed on their present sites.

• • •

New Brunswick

Too late for potatoes: Reopening of the United States market for Canadian potatoes came too late to take much of the New Brunswick crop. This year's potatoes deteriorated faster than usual because of the hot weather, and while the U. S. decision will alleviate the situation, a large movement of potatoes is not expected from the province.

Study food values: A Dominion health grant of $7,500 will finance a study of the nutritional value of some of the province's products, notably potatoes, carrots, apples and oats. Work will be conducted by the University of New Brunswick under the direction of Dr. C. A. Argue, head of the department of biology, and Dr. W. A. Andreae, research fellow in biology.

• • •

Nova Scotia

Outer Baldonia, new kingdom: In the midst of its centenary celebrations, Halifax took time out to smile at the gagging of a rich American with an interest in the famous tuna fishing waters off the Nova Scotia coast. In the group of tiny Tusket islands, in the fishing grounds, the American sportsman announced that he had taken over one small rock and called it the "kingdom of Outer Baldonia." After purchasing the half-mile of rock and gravel, the sportsman wrote to the Tuna Club of Wedgeport, N.S. offering princedoms and admiralties. He promised that the new territory would recognize the laws of Nova Scotia. Explained a blushing provincial official: "It's just a gag."

• • •

Prince Edward Is.

New Fish Market: A new market for fish caught off Prince Edward Island is seen following negotiations between the Department of Industry and Resources and a Newfoundland fish meal plant operator of Corner Brook. The plant picks up the fish by vessel from Newfoundland coastal villages for processing into fish meal; also into liquid form for the U. S. market, to be used for making animal foods. The operator is interested in buying Island-caught mackerel, herring, and hake.

Good strawberry crop: After a shaky start, the strawberry season on the Island seems to be in full swing. With a plentiful supply, retail prices went as low as 19c, which growers claim is below production cost. A number of air express shipments to Boston and Montreal have relieved the situation, and now the price is stable around 25c.

Newfoundland

Fisheries reassured: Newfoundland fishermen, worried over attempts of the U. S. industry to curb fish imports into the U. S., were reassured by a statement from the State Department stating that there was no need to limit imports at present. The report said that there was "a vigorous and apparently expanding demand" for groundfish fillets. The U. S. fish industry is however persisting in its demand for a quota on imports of this kind of fish product.

Dangerous fires controlled: Two forest fires that seriously threatened the town of Buchans were checked by a lucky west wind. Volunteer firefighters spent days trying to check the blaze with bulldozers and other equipment.

Mutual's Ottawa Branch Wins Efficiency Award

Ottawa branch of the Mutual Life Assurance Co. of Canada, has been awarded the Directors' Efficiency Cup for its achievements in 1948. The cup is competed for annually by the company's 57 branches in Canada. W. Lloyd Mooney is manager of the Ottawa branch, and is the third generation of his family to serve as manager of the Mutual Life's Ottawa branch.

Factors considered in making the award include: the quality of new insurance sold; increase in the amount of insurance in force; agency growth and general efficiency.

The Brantford agency managed by G. C. Francis was runner-up and received a replica of the cup.

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INCOME TAX

Wife Dies

What is the income tax status of a man whose wife dies during the calendar year? Is he considered a married or single man?

He can claim married status for the full year.

Gives Wife Gift

If I give my wife a gift of $1,000 out of my income, can I deduct this when computing my income tax and still retain my married status?

Such a gift does not affect your married status at all. But you cannot deduct it from your income for tax purposes. It is still considered part of your income and if your wife invests it, revenue from it must be included with your income when computing your tax.

INVESTMENTS

Royalite Oil

A friend tells me that Royalite Oil Co. is paying a dividend of $1.00 a share per annum and that it looks like a "buy" at the present price around $6.50 a share. What are your comments?

Royalite Oil Co. shares were split last February on the basis of four new shares for each old share held and the new stock has since been placed on a dividend basis of 25c. a share rather than the $1.00 a share applicable to the old stock mentioned in your letter.

Earnings on the new stock are currently running at 50c. a share per annum—about the same level as last year—but the long term of prospects of the company have been greatly improved as outlined in an article in The Financial Post on June 25, 1949. We suggest you study the article there which was given by a Royalite official, for the latest developments in the company's position.

PHARICK GOLD MINES was granted a security issuer's license on June 23, 1949, with 75% of proceeds of sales to go to company's treasury. Authorized capital of the company is three million shares of which 693,283 are outstanding.

McLELLAN GOLD MINES June 18 installment of 100,000 shares at 10 cents a share under agreement with John Tovell has not been exercised and balance of agreement has been terminated.

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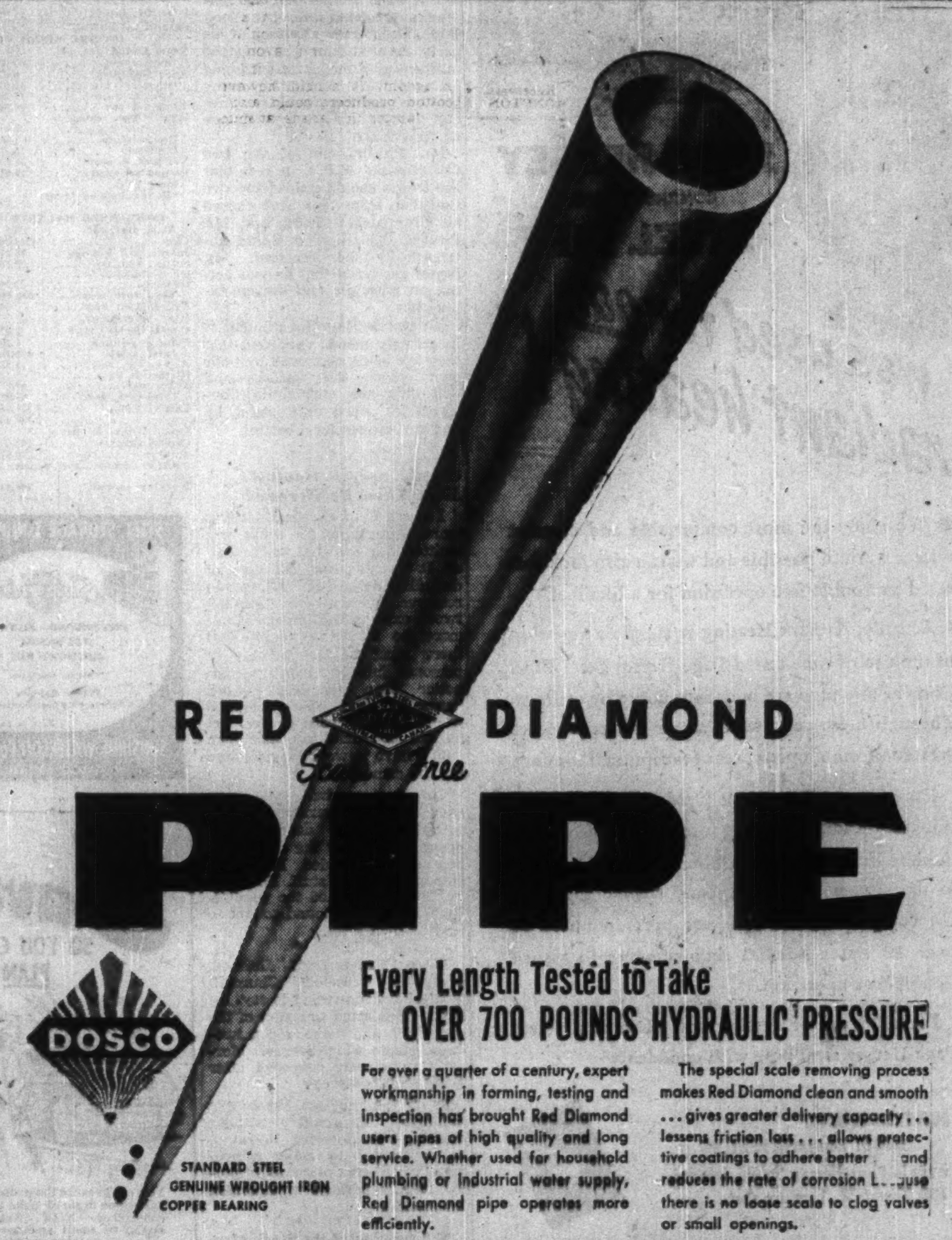

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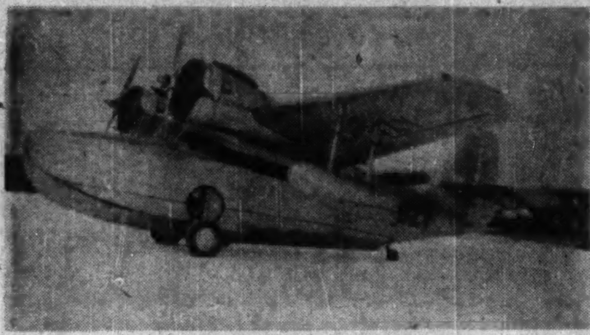

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LONDON CALLING—By Adelphi

Cripps Popping Balloons Put Up by the Socialists

LONDON—A crowded House of Commons listened with a sense of gravity when Sir Stafford Cripps made his statement about Britain's economic crisis.

When Cripps rose to speak there was hardly more than a murmur of encouragement from the packed Socialist benches. It might be said that the Socialists respect but deplore him. He insists upon puncturing all the pretty balloons that the party has blown up and cast upon the air.

* * *

The Socialists promised more pay for less work. Cripps says we must have more work but no more pay. The Socialists said that the workers would have social services paid for by taxing the rich. Cripps answers that the rich cannot be soaked any more and that the people must pay by direct or indirect taxation for their teeth, spectacles, wigs and bottles of medicine.

The Trade Unions have one vast headache. They are, foolishly, in partnership with the Socialist Party and, therefore, look upon the Government with an air of proprietorship. But if the Chancellor says there must be no more increases of pay, what job is left for the Unions to do?

* * *

There is trouble in the coal fields where the miners are finding that the smallest grievance which would have been settled in two days under the old regime has to go through the tortuous labyrinth of remote bureaucracy. There is far worse trouble in the docks, although one of the first acts of the Socialist Government was to give the dockers a charter which was to end all disputes. There is trouble in the railways where the Government has purchased an uneasy fortnight's truce. Meanwhile there are no strikes, official or unofficial, in privately owned industries.

* * *

When Man Loses Dreams, Is There Anything Left?

It has been a period of dreadful disillusionment for the Labor Party. Hugh Gaitskell, Minister of Fuel and Power, broke down and wept when he was addressing a gathering of miners. Gaitskell is a fine man, of good education and high ideals, who firmly believed that nationalization would bring prosperity and contentment to the workers. I do not join in the jibes about his emotional outburst. When a man loses his dreams, he loses everything.

* * *

Little Cockney, George Isaacs, Minister of Labor, announced before Cripps spoke that he was sending troops to unload the food ships. The extreme Leftists of his party accused him of using the military as a means of enforcing an employers' lockout. Nothing could be further from the truth and Isaacs did not try to hide his resentment.

Mr. Piratin, one of the two Communists M.P.'s, urged that the troops should unload the two Canadian ships that have caused all the trouble. Thus, said Mr. Piratin, the situation would automatically be restored. Mr. Isaacs answered that he was acting on principle and not on expediency.

No wonder the Government is in an ugly mood. They feel that they are being destroyed by their own people—the workers—and that their real enemy, the Conservatives, need only stand by and win the electoral battle.

* * *

Cripps' Speech Omitted More Than He Revealed

I heard Cripps' speech—it was more remarkable for what was omitted than for what was revealed. It was the same old story of dwindling dollars and falling gold reserves, and a widening gap between exports and imports. Once more he told the nation that there must be no increase of personal income (which sounds better than the real word "wages,") and that everyone would have to work harder. Yet he did not dare say that men would have to work longer hours for the same pay.

The one emphatic statement was that the Government on no account would devalue the pound. That drew the only cheer because it sounded like good sturdy John Bull stuff. However, he never mentioned the possibility of letting the pound go free to find its own level.

* * *

When Cripps was finished, everyone expected Churchill would have something to say. Instead, Eden acted as leader of the opposition and demanded a two-days' debate which Herbert Morrison reluctantly conceded after being stubbornly coy.

So, at the end, out walked the immortal Churchill without uttering a single word. However, he is shortly to make a pronouncement on Conservative policy and is perhaps withholding his thunder.

* * *

The reaction of the Stock Market was a mild upward movement with the exception of gold shares, which sagged at the news that there was to be no devaluation of the pound.

As Wollcott Gibbs said, the British are apt at any moment of crisis to fly into a deep calm. The British have been on the brink of disaster so often that the prospect does not even make them giddy. They just don't believe that Britain is bust or even will be bust. It is an admirable spirit but not exactly realistic.

* * *

At any rate two days later Lords was crowded for the Eton and Harrow match with such a display of toppers and morning coats as would deeply puzzle a man from Mars, or an American.

What really is worrying the British is the impending drought. There was a little rain this week in England, enough to lay the dust, and Scotland responded nobly with a prolonged downpour, but the situation is serious.

* * *

It Costs You More Now Since You're a Canadian

Canadian-born residents in Britain are finding that as their British passports expire, they are now required to apply for Canadian passports. Under the Nationality Bill of two years ago, a British passport is only to be issued to people born in the United Kingdom or the Colonies. So you will now in Canada discover that many of your celebrated exiles, whom you had given up as lost are Canadians again. I hope you will not be unduly excited by this news and prepare an old home week or something.

The only immediate disadvantage I can see is that no visa is required for a British national visiting France, whereas a Canadian citizen, resident in London, must get a visa from the French Embassy and pay for it.

* * *

Lady Astor's Sunday Observer scolded the British Press for not having given more space to the Canadian election. Then to set us a good example, it told us all about Canada and described Mr. St. Laurent as a comparatively young man.

COMPANY REPORTS

ALBERTA PACIFIC CONSOLIDATED OILS realized a profit of $35,826 before income taxes in 1948 as against $24,212 the previous year, even though income from Cut Bank wells was only applicable to nine months of 1948. Entire investment in the Cut Bank field was sold in latter part of 1948 and working capital showed a rise of over $150,000 to $386,132 at the end of the year.

A third interest is held in the McConset-Leduc Syndicate operating in the Leduc field. After drilling an initial failure, the syndicate brought in a D3 producer on a second 160-acre block. It is planned to drill a second well on the productive lease but further drilling will be governed by prospects for sale of oil output.

INCOME ACCOUNT

Years Ended Dec. 31:	1948	1947
Prod'n revenue	$53,988	$60,727
Add: Royalties	9,676	8,786
Other revenue	11,672	4,618
Asset sale prof.	15,245	3,711
Total net rev.	90,581	77,842
Less: Oper., gen. & admin. exp.	35,213	30,850
Depreciation	3,686	5,488
Depletion	15,856	17,292
Net prof. & surp.*	35,826	24,212
Earned per Share*	$0.015	$0.010

None paid.
*Before income taxes.

CONDENSED BALANCE SHEET

As at Dec. 31:	1948	1947
Cash	$288,260	$77,171
Invest. cost less res.	73,373	152,073
Accts., etc., rec.	35,530	10,138
Oil in tanks	......	4,060
Deposits	53,000	......
Total curr. assets	450,163	243,442
Def. & prep. chgs.	137	547
Misc. invests.	......	3
Devel., leases, rts.■	3,273	225,682
Plant & equip.▲	1,591	10,784
Total assets	455,164	480,458
Accts., etc., pay.	7,527	2,124
Dividends pay.	7,130	7,132
Taxes pay.	49,374	4,119
Total curr. liab.	64,031	13,375
Capital stock	2,354,252	2,354,252
w/o	2,478,407	2,263,761
Less: Wells & dev.		
Capital surplus	144,314	......
Surplus	370,974	376,392

■After deprec. and deplet. ▲Cost less deprec.

Working capital	386,132	230,067

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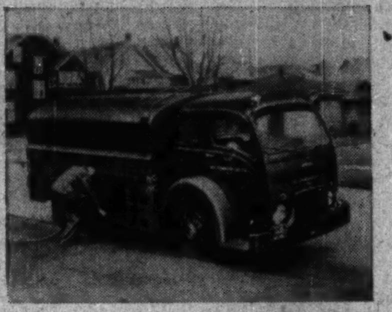
10-8

HERE'S THE NEW TRUCK THAT "TIPS ITS CAB TO SERVICE"



A MACHINE TOOL OF TRANSPORTATION...the New White 3000 is a maintenance man's dream of perfect accessibility . . . saves hundreds of dollars a year in maintenance time costs. Workmanship is improved, too. On the job, the White 3000 is easier to maneuver and park in traffic. Saves running time and unloading time. All the quality and proved dependability of White Super Power truck units are built into the White 3000. See your local White Representative for all the time- and cost-saving advantages as they apply to your business.

THE WHITE MOTOR COMPANY OF CANADA LTD., Montreal
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POWER-LIFT CAB is an exclusive White 3000 feature. The actuating mechanism is a rugged version of the dependable device operating landing gear on airliners. The turn of a key lifts the cab in less than 30 seconds.

White
SUPER POWER
3000

FOR 50 YEARS THE GREATEST NAME IN TRUCKS

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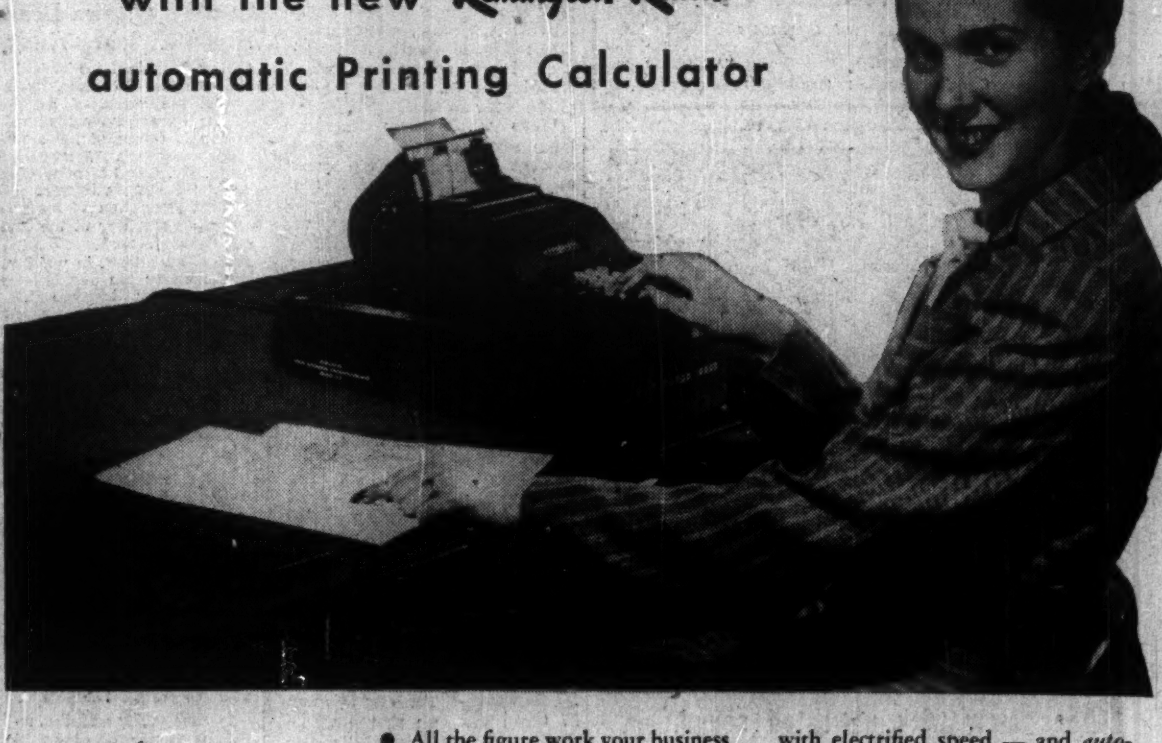

for every figuring requirement . . .

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MACHINES FOR MANAGEMENT